

NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

5th Session

Day **13**

12th Assembly

HANSARD

WEDNESDAY, FEBRUARY 23, 1994

Pages 303 - 338

Page numbers reflect printed Hansard

The Honourable Jeannie Marie-Jewell, Speaker

Page 303

MEMBERS PRESENT

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

ITEM 1: PRAYER

---Prayer

MADAM SPEAKER:

Good afternoon. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Amittug, Mr. Allooloo.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Awarding Of Federal Government Contract To Non-Inuit Company

MR. ALLOOLOO:

Thank you, Madam Speaker. Members of the Nunavut Caucus have been provided with a copy of a letter written to the federal Minister of National Defence and the federal Minister of Supply and Services from James Eetoolook, acting president of Nunavut Tunngavik Incorporated. Madam Speaker, the letter protests the awarding of a contract to operate core campsites in 1994 to a Quebec firm rather than Avati, a subsidiary of Nunasi Corporation and the Inuvialuit Development Corporation which makes it 100 per cent Inuit owned.

Avati carried out the contract successfully last year, which was to erect, maintain and disassemble working camps for other contractors that were upgrading or constructing the new Distant Early Warning stations. Avati completed this task with a workforce made up of 82 per cent Inuit. This contract is worth several million dollars, Madam Speaker, and it is the first large contract awarded by the federal government in Nunavut since the ratification of the Nunavut land claims.

Section 24 of the land claim commits the federal government to not only include Inuit firms in the solicitization of bids, but also commits the federal government to develop, implement and maintain

policies to provide support and assistance to Inuit firms to compete for government contracts. It was agreed that these policies would be in place one year from ratification of the claim which is coming up this summer. Madam Speaker, it is very disheartening that these policies to provide support to Inuit companies to compete for government contracts have been completely disregarded in the awarding of this contract. We had expected that the spirit expressed...

MADAM SPEAKER:

Sorry, Mr. Allooloo, your time has lapsed.

MR. ALLOOLOO:

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. Allooloo.

MR. ALLOOLOO:

Thank you, Madam Speaker. Thank you, Members. We had expected that the spirit expressed during the negotiations would have been maintained. I'm extremely disappointed that the federal government has chosen to award such a major contract to an outside firm when it has been clearly demonstrated that Avati has the ability to carry out the work in a very satisfactory manner. Thank you, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. I would like to recognize the grade six class from N. J. Macpherson school here in Yellowknife and their teacher Karen Johnson. Welcome to our Assembly.

---Applause

Item 3, Members' statements. The honourable Member for Baffin South, Mr. Pudlat.

Member's Statement On Pauktuutit's Annual General Meeting

MR. PUDLAT:

(Translation) Thank you, Madam Speaker. I would like to stand today and make a Member's statement. I was invited to the annual conference of the Pauktuutit

Women's Association but I have other commitments. I would like them to know that I haven't forgotten their invitation and I would like to apologize for not being able to attend their annual general meeting. I would be able to attend at some other time. I would like to apologize that I can not attend and I would like to assure them I will be able to attend at some other time.

I know that they have a lot of work to accomplish which is very important in the world of events and they work very hard on important issues and they will be able to work on those issues at this conference. At this time, Madam Speaker, I would like to apologize to them. Thank you.

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife South, Mr. Whitford.

Member's Statement On Judging A Public Speaking Contest

MR. WHITFORD:

Thank you, Madam Speaker. Madam Speaker, yesterday evening I had the pleasure of serving as a

Page 304

judge for the public speaking contest at St. Joseph's School in Yellowknife South. Students from grades four, five and six made public speeches on a variety of subjects, everything from the future, pollution to subjects like tigers and jet planes, including one called "My Dog Rudy." Madam Speaker, I don't think I could have found a better way to spend two and half hours than to be there to listen to those young people practising public speaking.

Because I was a judge, I had to be critical and I had a list from which I had to award points for a variety of things from effectiveness of opening, subject material, choice of words, clearness of speech, grammatical accuracy, posture, gestures and, of course, effectiveness of endings. Not only did I enjoy being there, but I also learned quite a bit. I watched these young people performing their role in speaking on a subject of their choice and I marvelled at the talent that was going to come out of that contest and the preparation that these young people are undertaking through their teachers and the contest for their future in public life.

I just wanted to congratulate them for their efforts.

Not only did they learn, but I also learned quite a bit from them. I learned a few things not only from the subject matter but on how to public speak from them. I invited them to come over to the Assembly some day to watch their Members and maybe give some points to us on our performances. The contest will continue for the rest of the week as we get into the senior grades. Thank you, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. I ewis.

Member's Statement On The Federal Budget Address

MR. LEWIS:

Thank you, Madam Speaker. Most people who listened to the Finance Minister's budget speech yesterday were struck by the fact that probably a lot more was unsaid than was said. One of the things that was highlighted was the fact that they are going to reorganize the military, reduce it and eliminate racism. One of the good pieces of news in that budget address was that a whole squadron of twin otter planes would be located right here in Yellowknife. Many of us for years have said -- especially my friend Mr. Whitford -- that safety and rescue in this part of the world should be given a far higher priority than it is, with the expectation that there will be a lot of activity in this part of the world over the next several years.

This should be considered a welcome move that we have now 160 people moving into the city to replace all of those people that our government has decided should work somewhere else. It is good news for this community because when we listened to the speech yesterday, no one could see anything good in it. But for this city, there is a lot of good and it is very welcome news.

SOME HON. MEMBERS:

Hear, hear.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Antoine.

Member's Statement On The Development Of An NWT Fur Strategy

MR. ANTOINE:

Thank you, Madam Speaker. Today I would like to express my concern about the fur industry. I know the Minister responsible has been to Brussels and Strasbourg and has been telling us the situation we find ourselves in as a result of leghold trap regulations from the European Parliament that we have tried to abide by.

Through research, Madam Speaker, I found out in the last four years the Government of the Northwest Territories has spent about \$900,000 to buy about 70,000 quick kill traps. These traps were exchanged in the north. Further, there was about \$1 million spent in workshops to train the trappers in how to use these new methods of trapping. In all, there is about \$1.9 million spent to date on complying with the regulations established in Europe.

I am told there is an NWT fur strategy being developed, as a result of a study that was done last year. I just hope that instead of continuing to spend money to comply with the European Parliament regulations, this government sees fit to try to establish the fur industry in the north by developing a plan of action on how to process the furs in the north, so we can have a northern fur industry. I know our furs in the north have been sent down south to be mixed with the southern furs, which I hear are not as good quality as our northern furs. Therefore, the price of our furs has dropped to bring the price in the south up. In the long run, our trappers are losing out.

We should be focusing on doing it ourselves instead of depending solely on the European market to buy our furs. I would like to stress to the Minister to look into this area in developing an NWT fur strategy. Mahsi, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Deh Cho, Mr. Gargan.

Member's Statement On Judicial System In The NWT

MR. GARGAN:

Thank you, Madam Speaker. Madam Speaker, in recent weeks I have spent a considerable amount of time thinking about the state of the correctional system in the Northwest Territories. Madam Speaker, the entire judicial process in the Northwest Territories is seen as a confusing system of conflicting European values by the majority of aboriginal people who run into trouble with it.

Madam Speaker, we, as a government, have a responsibility to tailor our programs and services to reflect the cultural identity of those it's suppose to serve. We have failed in this regard. So now, Madam Speaker, with that said, what do we do to alleviate the problems that make the situation of our correctional system culturally and morally irrelevant?

Madam Speaker, the system as it stands now is designed to incarcerate people in a facility that is usually far away from the

Page 305

home town of the offender. Granted, Madam Speaker, that some of the programs offered by the correctional centre, such as alcohol counselling and educational upgrading, are good programs. It nonetheless remains a fact that by the very nature of the correctional centre, it confines a person to a certain geographic area. By doing that, we provide no opportunity for the offender to make restitution to the community or to the victim. Sometimes by incarcerating a person, we create more of a hardship on their family than a long sentence accomplishes in rehabilitating.

There must be a way to split a sentence so an offender spends a certain amount of time behind bars and an equal amount of time making restitution to his victim. Maybe some sort of day parole system so that when a person is not working or making restitution to his family or victim, they are confined to house arrest.

We, as a government, must take the initiative...

MADAM SPEAKER:

I am sorry, Mr. Gargan, your time has lapsed.

MR. GARGAN:

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

MADAM SPEAKER:

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

MR. GARGAN:

Thank you, Madam Speaker, and Members. We, as a government, must take the initiative. We have to take a holistic approach for corrections in the Northwest Territories. Madam Speaker, I don't only mean corrections, the community or the individual as a whole, but the family as a whole. By continuing with band aid solutions, such as incarceration, we do little to solve the problem.

Let me give you an example. In the old days, when the elders' or women's council placed a sentence on an individual, that individual always knew that when their sentence was over, they would be accepted as a full member of the community again. Now there is no opportunity for the victims or offenders to go through this healing process. Madam Speaker, our present system does not address the concerns of those it is suppose to serve. We must take steps to change it. Mahsi cho.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Inuvik, Mr. Koe.

Member's Statement On ED&T Classification Of Communities

MR. KOE:

Mahsi, Madam Speaker. I rise today, Madam Speaker, to talk about the existing classification of communities by the Department of Economic Development and Tourism. The system of classification of communities by the department was initiated in 1986 as part of the Economic Development and Tourism strategy. This classification system was used solely in relation to the business development fund policy.

In 1991, the communities were grouped into level I, level II and level III communities. In 1991, the policy was revised and the grouping of communities were made according to socio-economic indicators, such as population, per capita income, unemployment rates and the number of businesses in that community. If a business needed financial assistance from the department, they were required to contribute

some form of equity. The equity requirements were determined by the community groupings. For example, residents in a level I community were required to put more money in than ones in a level III community.

When the business development fund was revised in September 1993, the requirement for grouping communities was also changed to recognize the level of existing business infrastructure in a community, and the road or transportation links into that community. This was done as a result of requests from clients and regional staff. That the policy better recognizes the potential for new economic and business development, rather than focus on the existing well-being of the community.

Under the 1993 revision, equity requirements remain linked to the community groupings, however the list of community groups was removed and instead the Minister issues instructions regarding the regrouping of communities whenever required.

Madam Speaker, I seek unanimous consent to continue.

MADAM SPEAKER:

The honourable Member is seeking unanimous consent to continue with his statement. Are there any nays? There are no nays. Continue, Mr. Koe.

MR. KOE:

Mahsi, honourable colleagues. In November 1993, again, a new list of community groupings was developed, and certain communities were moved. Basically, there were ten communities moved from level II classification to level III classification. These level I communities are communities which have well developed community business infrastructure with air and road transportation links. Level II are communities that have a lesser developed business infrastructure and have some air and road links. Level III communities have the least developed business infrastructure.

Madam Speaker, I believe this system of classification works if everything is fairly equal. However, in business and in the economy things don't work that way. There are businesses in all communities and they all need the right set of circumstances for them to flourish and prosper. In some cases, I'm sure that many of them would appreciate the expertise and assistance of some level of government. But because

of the classification of the communities by the Department of Economic Development, not all businesses can access government assistance on a fair and equitable basis. Mahsi.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife North, Mr. Ballantyne.

Page 306

Member's Statement On GNWT Position On Tobacco Taxes

MR. BALLANTYNE:

Thank you, Madam Speaker. I rise today to support the position taken by the government, as outlined by the Minister of Finance on tobacco taxes, yesterday.

---Applause

I am sure that there will be many critics of the decision. I am sure the smokers of the Northwest Territories are going to see their fellow and sister smokers smoking at half price across the country. I am sure there will be those who say we won't be able to control smuggling in the Northwest Territories. But I think the decision was the correct one for three reasons.

The first reason, as outlined by the Minister of Finance, is health. We not only have a high percentage of our population smoking in the Northwest Territories, more so than anywhere else in the country, we have a higher percentage of our young people smoking in the territories than anywhere else in the country. The first time we had a noticeable decrease in smoking among young people was when we raised the taxes on cigarettes.

The second reason is that, the nature of this deal, which was a bilateral deal between the federal government and Quebec, solved the problem in Quebec but created a whole series of problems across the country. We have some problems with how our confederation works when that is the approach.

The third issue is that of finances. The Minister, quite rightly, pointed out that \$2 million in revenue that we'll lose, but in the long term there's a much more

significant financial cost. Right now, we are blessed by having a young, relatively healthy population and our health costs in the Northwest Territories are a lot less than in many other jurisdictions.

But that won't always be the case. All these young people, eventually are going to be middle aged people like many of us, and old people like some of us. At that time, we will really see the real cost of increased smoking now. There will be such a significant jump in our health care costs, 15 or 20 years down the line, that I don't think we'll be able to absorb that cost.

Madam Speaker, can I seek unanimous consent to continue my statement?

MADAM SPEAKER:

Thank you. The honourable Member is seeking unanimous consent to continue. Are there any nays? There are no nays? Continue, Mr. Ballantyne.

MR. BALLANTYNE:

Thank you, Madam Speaker. Not only do I say that at this point in time we should support the Finance Minister, but we should also recognize that the Finance Minister and the government may need some flexibility three or four months down the line.

Right now, there seems to be agreement between the western provinces to hold firm on tobacco taxes and to try to control smuggling. But in three or four months down the line, it might be that the pressures are too great and that coalition breaks apart. I think at that time, everyone will have to recognize that if everybody else falls like dominoes, we'll probably have no alternative down the line but to do the same. But I firmly believe that the decision taken by the government right now is the right one, and I fully support it. Thank you very much.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, oral questions. The honourable Member for Inuvik, Mr. Koe.

ITEM 5: ORAL QUESTIONS

Question 181-12(5): Review Of Policy On Classification Of Community Levels

MR. KOE:

Mahsi, Madam Speaker. I have a question for the Minister of Economic Development and Tourism. The Department of Economic Development and Tourism has a policy which classifies communities into level I, level II or level III communities based on economic indicators. My question to the Minister is, is there a review which has been done to re-evaluate this policy?

MADAM SPEAKER:

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

Return To Question 181-12(5): Review Of Policy On Classification Of Community Levels

HON. JOHN TODD:

Thank you, Madam Speaker. I believe there is a review that was undergone some time ago because there was concern raised about -- as the honourable Member said -- inequities in how we define certain levels of communities. If the honourable Member wants, I can provide him with a copy of that review. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 181-12(5): Review Of Policy On Classification Of Community Levels

MR. KOE:

Mahsi. I am sure Members of this House would appreciate a copy of that review. It's very hard for small businesses in level I communities to access government funds because of this policy. My supplementary is, what has been done to assist small businesses in level I communities to qualify for some of the financial assistance programs that this government has?

MADAM SPEAKER:

Thank you. Minister of Economic Development and Tourism. Mr. Todd.

Further Return To Question 181-12(5): Review Of Policy On Classification Of Community Levels

HON. JOHN TODD:

If the level I community that Mr. Koe is talking about is his particular riding, if it is Inuvik, as I've stated earlier in the House, we have given new authority to the regional superintendents, financial authority which is supposed to, theoretically, speed up the process of providing grants and loans. We've converted a new policy for grants which provides up to \$5,000 worth of grant funding for small business. We've put these policies in place effective early December. We're confident they'll meet the needs of all communities in the Arctic, including level I communities. Thank you.

Page 307

MADAM SPEAKER:

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 181-12(5): Review Of Policy On Classification Of Community Levels

MR. KOE:

Thank you. So for the record then, the new grants and loans policy or program for small businesses is not based on the classification of communities in level I, II and III, because right now with the existing policy a lot of businesses in level I communities don't qualify for a lot of the grants and loans and other financial assistance from the department. For the record, are the new programs going to do away with the existing classification system?

MADAM SPEAKER:

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

Further Return To Question 181-12(5): Review Of Policy On Classification Of Community Levels

HON. JOHN TODD:

Thank you, Madam Speaker. No, the new programs are not going to do away with the classification system. I don't have at the tip of my tongue each and every program we have. I have instructed the department to change some of the programs to more clearly reflect the needs of the small business community. I can get for the honourable Member a breakdown of them as they relate to Level I communities. However, I would say, in fairness to the honourable Member, that certainly my focus and the emphasis has been on the Level II and III communities because that is still where we believe the attention should be.

MADAM SPEAKER:

Thank you. Final supplementary, Mr. Koe.

Supplementary To Question 181-12(5): Review Of Policy On Classification Of Community Levels

MR. KOE:

Thank you, Madam Speaker. I, too, agree that there is a need for development in Level II and III communities. But, the fact of the matter is, a good portion of our population lives in the major communities, Inuvik being one. Inuvik presently is undergoing a period of recession, unlike maybe Yellowknife for example. There are still a lot of unemployed people in these communities and a lot of small businesses that wish to start up in these communities because that is where the people are. So, I would wish that in your review you would take into consideration the economic situation of the various communities.

My question, again, is will the Minister look at the policies and programs to assist communities like Inuvik and the surrounding district, in developing and assisting small businesses?

MADAM SPEAKER:

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

Further Return To Question 181-12(5): Review Of Policy On Classification Of Community Levels

HON. JOHN TODD:

I think it is recognized that with a town like Inuvik and a number of others, the department has to be a little more flexible than it has been in the past. I will give the honourable Member assurances that when we are reviewing -- as we constantly are, by the way -- these programs so they're more reflective of the needs and, more importantly, the economic conditions of the territories, that Inuvik and small towns similar to Inuvik will be treated accordingly. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Yellowknife Centre, Mr. Lewis.

Question 182-12(5): Exclusion Of Tax Initiatives In Budget

MR. LEWIS:

Thank you, Madam Speaker. My question is for the Minister of Finance. We listened carefully last week to the Minister's budget address. On page nine there is a list of things that are not going to happen, no increases to personal income taxes, no increases to the one per cent payroll tax, no increases to fuel taxes and so on. There's a whole list of things that aren't going to be taxed. In fact, he only announced one tax change, the two per cent increase on corporate income over \$200,000.

He mentions in his budget that we're going to lose \$2 million but he also says that there will be no increase of the tax burden this year because of the negative impact on individual persons and the economy. My question to the Minister is, since he knew all about the federal initiatives before this budget was prepared, why wasn't the tax initiative that is being discussed today and that was discussed yesterday included in this budget?

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Return To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

HON. JOHN POLLARD:

Madam Speaker, simply because I wasn't sure what we would be doing. I wasn't sure what we would be able to do. I wasn't sure what the federal government was going to do exactly and I wasn't sure what the western provinces and some of the eastern provinces were going to do. I was torn and did not want to state something in the budget that I might have had to retract later. So, I dealt with it by saying that the potential loss to us was \$2 million at that particular time. This is a situation, and I think that Mr. Ballantyne has recognized this, that is very fluid right now and it's moving all the time. There was nothing certain that I could put in the budget, Madam Speaker. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

MR. LEWIS:

Thank you, Madam Speaker. Since a decision has been made to ask for the support of this Assembly for tax increases, would the Minister indicate whether this is simply a tax to replace the money that would be lost because of the federal initiative? And if this particular bill that's being proposed would in fact be revenue neutral, how does he expect to increase our revenue as a result of his proposed amendments?

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Page 308

Further Return To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

HON. JOHN POLLARD:

Madam Speaker, I've recommended to Madam Premier and the Cabinet, and they have accepted the fact, that we will not lower our taxes. I now will be suggesting to them that we increase our taxes to backfill the \$2 million that we're going to lose. There may be a situation, Madam Speaker, where I might suggest to them that we move into the federal tax room as well and bring prices back to where they were before the announcement by the federal government. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

MR. LEWIS:

That was an answer, but it wasn't an answer to the question I asked. What I'm trying to get at is, is this initiative of our government going to be a revenue neutral initiative so that we would not in fact be doing more than simply replacing the monies we would have lost because of the federal legislation?

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Further Return To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

HON. JOHN POLLARD:

Madam Speaker, I haven't gathered all the data yet and, until such time as I do, the very least that I will be recommending to Madam Premier and Cabinet is that it become revenue neutral. And, based on the information that is placed before me, I may suggest to them that we move into the federal tax room and pick up extra dollars. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Final supplementary, Mr. Lewis.

Supplementary To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

MR. LEWIS:

I would like to ask the Minister how he's going to calculate what revenue he needs? I asked this question to the previous Minister of Finance a few years ago and he found out that his staff were in fact more clever than he thought they were. My question is, are you going to be able to judge the impact of this change on smokers because the assumption is that it will be reduced? In other words, once you tax something, then smoking will be reduced and therefore, you have to use some factor to decide how much money you're going to raise. How are you going to figure out how much money you're going to raise if you don't know what the impact of this tax increase will have to reduce the number of people who smoke?

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Further Return To Question 182-12(5): Exclusion Of Tax Initiatives In Budget

HON, JOHN POLLARD:

Madam Speaker, I really don't know all the formulas that they use over at fiscal policy, but they have some formulas. If Mr. Lewis is ever over that way and drops into Jean Chretien's office, he will see all these formulas written on his board. I don't know all the formulas that they use, I know that they do have some method of calculation. Many times they go by historical data and they know the number of people in the NWT and they know, historically, the amount of tobacco they consume, et cetera. From that, they can give me a pretty good idea of what the impact will be but it's not a science. It gives you a good estimate, that's all, Madam Speaker. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for North Slave, Mr. Zoe.

Question 183-12(5): Review Of Legislation Re Chauffeurs' Permits

MR. ZOE:

Mahsi. In 1993, Madam Speaker, the Association of Municipalities asked the Minister of Municipal and Community Affairs to amend the Cities, Towns and Villages Act to more clearly define accountability to establish qualifications for the issuance of chauffeurs' permits. Many municipalities are concerned that a municipal by-law may be challenged if a municipality attempts to disqualify an applicant for a chauffeur's permit due to a criminal conviction.

Madam Speaker, on July 22, 1993, the Minister at the time responded, stating that the department officials would review this particular request. My question to the current Minister is if he could tell the House when this particular review will be completed? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, recognizing at the time you were not the Minister responsible, you may want to attempt to answer this question.

Return To Question 183-12(5): Review Of Legislation Re Chauffeurs' Permits

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I believe that there were a number of questions that were raised with regard to this particular resolution made by the NWT Association of Municipalities, some of which included areas that might infringe on individual's Charter of Rights. I understand that the department is, at this point, reviewing this particular legislation and should be able to advise the Association of Municipalities at their spring conference.

MADAM SPEAKER:

Thank you. Oral questions. Supplementary, Mr. Zoe.

Supplementary To Question 183-12(5): Review Of Legislation Re Chauffeurs' Permits

MR. ZOE:

Is it my understanding that it is still under review and the Minister has indicated that he is not sure as to when this review will be concluded?

Page 309

MADAM SPEAKER:

Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 183-12(5): Review Of Legislation Re Chauffeurs' Permits

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. Yes, that is correct.

MADAM SPEAKER:

Thank you. Oral questions. The honourable Member for Yellowknife Frame Lake, Mr. Dent.

Question 184-12(5): Functional Review Of Department Of Health's Operations

MR. DENT:

Thank you, Madam Speaker. My question is for the Minister of Health. Madam Speaker, during the last session, the Special Committee on Health and Social Services tabled its final report which suggested there was considerable room for improvement and change within the Department of Health. I was wondering if the Minister could advise if a functional review of the operations of the department has been undertaken?

MADAM SPEAKER:

Thank you. Minister of Health, Mr. Pollard.

Return To Question 184-12(5): Functional Review Of Department Of Health's Operations

HON. JOHN POLLARD:

Yes, Madam Speaker, that functional review is almost completed. I received the first draft of it last Friday, and the department anticipates that within another ten days they will have the final report for my consideration. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 184-12(5): Functional Review Of Department Of Health's Operations

MR. DENT:

Thank you, Madam Speaker. Could we get just a touch more information about the functional review? Is it actually reviewing all levels of the department from the deputy minister down to the line level?

MADAM SPEAKER:

Thank you. Minister of Health, Mr. Pollard.

Further Return To Question 184-12(5): Functional Review Of Department Of Health's Operations

HON. JOHN POLLARD:

Yes, it is, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 184-12(5): Functional Review Of Department Of Health's Operations

MR. DENT:

Supplementary, Madam Speaker. Madam Speaker, could we find out from the Minister who is conducting the functional review?

MADAM SPEAKER:

Thank you. Minister of Health, Mr. Pollard.

Further Return To Question 184-12(5): Functional Review Of Department Of Health's Operations

HON. JOHN POLLARD:

Madam Speaker, I have forgotten the name of the company. I will have to take the question as notice. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Natilikmiot, Mr. Ningark.

Question 185-12(5): Review Of Social Assistance For Part-Time Workers

MR. NINGARK:

Thank you, Madam Speaker. Madam Speaker, my question is to the Premier in the absence of the Social Services' Minister. Community economic well-being is fundamentally important to me and to the people who elected me. That was one of the reasons why I think they put me here. Madam Speaker, we penalize people who really need the assistance of the government who are living off the welfare system. We penalize those who are able to find jobs by not allowing them to earn a bit of money on the side. Every time recipients earn money, they are penalized the next assistance pay day when they are deducted. I would like to ask the honourable Minister if the Cabinet will review the matter and get back to the House.

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 185-12(5): Review Of Social Assistance For Part-Time Workers

HON. NELLIE COURNOYEA:

Madam Speaker, the honourable Rebecca Mike is not in the House today because she will be spending a couple of days at the conference with Pauktuutit in Iqaluit. I will review the matter. Just to note, on the issue of income reform, we hope that once we have been able to bring that forward we will address some of those major concerns, because I think that I fully agree with the Member that, often times, the difference between going to work and staying at home and living off welfare doesn't give people much incentive to be productive citizens. I hope the paper will come a long way in trying to address that. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for North Slave. Mr. Zoe.

Question 186-12(5): Amendments To Motor Vehicles Act

MR. ZOE:

Thank you, Madam Speaker. Again, Madam Speaker, in 1993, the Association of Municipalities asked the Minister of Municipal and Community Affairs to encourage amendments to the Motor Vehicles Act to allow owners of vehicles to be held liable for contravention of parking by-laws. On June 22 of last year, Madam Speaker, the Minister of

Transportation responded, noting an oversight in one section of the act and agreeing that the section should be amended. My question for the Minister of Transportation is when is he anticipating bringing these amendments to the House? Thank you.

Page 310

MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Return To Question 186-12(5): Amendments To Motor Vehicles Act

HON. JOHN TODD:

Madam Speaker, I don't know the exact date when we are bringing these amendments forward so I will look into it and get back to the Member.

MADAM SPEAKER:

Thank you. Item 5, oral questions. New question, the honourable Member for North Slave, Mr. Zoe.

Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

MR. ZOE:

Thank you, Madam Speaker. Again, my question will be directed to the Minister of Municipal and Community Affairs. In 1993, Madam Speaker, once again, the Association of Municipalities requested the Minister of Municipal and Community Affairs prepare an amendment to the Property Assessment and Taxation Act to allow that land owned by municipalities and occupied by the municipal employees to be recorded on the assessment roll in the name of the municipal corporation. On August 18, 1993, Madam Speaker, the Minister at the time stated that, once certain items were clarified, he would have the department prepare and would be prepared to recommend a legislative proposal for Cabinet consideration. I would like to ask the current Minister, Madam Speaker, whether his department has completed the proposed amendment? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Return To Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

HON, SILAS ARNGNA'NAAQ:

I believe the previous Minister had indicated that a legislative proposal would be forthcoming. However, there were a number of questions that the department had before completing the legislative proposal, and as far as I know, those clarifications have not been made. The department is still waiting for a response before preparing a legislative proposal.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

MR. ZOE:

Madam Speaker, if that is the case, then when does the Minister expect this to be completed? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

HON, SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. Once the department has received clarification on the questions that they had, they will be putting together a legislative proposal. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

MR. ZOE:

Thank you, Madam Speaker. I understand that the department is waiting for clarification on this issue, but my question was when does he anticipate this to be

completed? Does he have a time frame that he is looking at, Madam Speaker? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 187-12(5): Proposed Amendment To Property Assessment And Taxation Act

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. Madam Speaker, I don't know how long the preparation of a legislative proposal takes, so I am not able to give a time frame. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. Mr. Zoe, new question.

Question 188-12(5): Review Of Local Authorities Elections Act Re Elections Dates

MR. ZOE:

Thank you, Madam Speaker. Again, my question will be directed to the Minister of Municipal and Community Affairs. Currently, our municipal elections in hamlets and settlements are held on the second Monday in December, a time when many people are on the land or away on Christmas vacation. Voter turn-out is often low for these reasons. A resolution at the NWT Association of Municipalities, Madam Speaker, requested that the Minister of Municipal and Community Affairs prepare an amendment to the Local Authorities Elections Act to allow communities to set election dates which are more compatible to regional needs.

Madam Speaker, on August 18, 1993, the Minister at the time stated that he has instructed the department to review this request. I would like to ask the current Minister whether his department has completed this review. Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Return To Question 188-12(5): Review Of Local Authorities Elections Act Re Elections Dates

HON, SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. To my knowledge, the review is still taking place. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 188-12(5): Review Of Local Authorities Elections Act Re Elections Dates

MR. ZOE:

Thank you, Madam Speaker. When does the Minister expect the review to be completed? It has almost been seven months since the request came through. Thank you.

Page 311

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 188-12(5): Review Of Local Authorities Elections Act Re Elections Dates

HON, SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I think part of the problem was that the department wanted to consult with Members of the Association of Municipalities. They were going to identify a contact person who would represent the association. To my understanding, this person has not yet been identified. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Natilikmiot, Mr. Ningark.

Question 189-12(5): Assistance For Establishment Of Credit Union

MR. NINGARK:

Thank you, Madam Speaker. My question is directed either to the Finance Minister or the Economic Development Minister. Madam Speaker, as part of my preamble, I would like to say that Arctic Co-op will be holding their social function at the Annex D in the Yellowknife Inn at 7:00 tonight.

MADAM SPEAKER:

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

Return To Question 189-12(5): Assistance For Establishment Of Credit Union

HON. JOHN TODD:

Madam Speaker, I am very familiar with this issue. It is my understanding that the ACL has been trying for some time now to seek federal funding for this initiative through the CAEDS program, and other programs, and haven't been successful, to date. It is also my understanding that they need about \$6 million to \$8 million. We simply don't have that kind of money to provide this kind of assistance to the ACL at this time. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ningark.

Supplementary To Question 189-12(5): Assistance For Establishment Of Credit Union

MR. NINGARK:

Thank you, Madam Speaker. Is the honourable Minister planning to be at the social function tonight? Thank you.

---Laughter

MADAM SPEAKER:

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

Further Return To Question 189-12(5): Assistance For Establishment Of Credit Union

HON. JOHN TODD:

Absolutely, Madam Speaker. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for North Slave, Mr. Zoe.

Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

MR. ZOE:

Thank you, Madam Speaker. This question is directed, again, to my colleague responsible for

Municipal and Community Affairs. The Association of Municipalities requested the Department of Municipal and Community Affairs to work with the association to develop terms of reference for all financial audits and operational evaluations of municipalities.

On September 14 of 1993, Madam Speaker, the Minister at the time stated that the department is prepared to work with the association to improve current audit terms of reference and guidelines for operational evaluations. I would like to ask the current Minister whether his department has started working with the association to improve the terms of reference and guidelines? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Return To Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. For this particular resolution, much of the audit terms are defined by the Canadian Institute of Chartered Accountants. I believe a review has started with the department's staff and the executive director to establish a process. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

MR. ZOE:

Madam Speaker, I didn't quite catch the Minister's comments. Did I understand that the department is developing a process? My understanding is that the department has already made a commitment on September 14. They stated they were prepared to work with the association to improve the current audit terms of reference and guidelines for operational evaluations. I just wanted to know if the department has started to work with the association to work on these terms of reference for audits and the guidelines. He didn't answer my first question, Madam Speaker.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I was trying to say that the department would have very limited ability to define audit terms because those are already defined by the Canadian Institute of Chartered Accountants. From

Page 312

what I understand, the department has made contact with the executive director to start this process. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

MR. ZOE:

Thank you, Madam Speaker. I am glad that his department has finally contacted the association's executive director to start working on this initiative. Could I ask has the Minister indicated to his officials the time frame within which this review is going to take place?

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 190-12(5): Terms Of Reference For Municipal Audits And Evaluations

HON. SILAS ARNGNA'NAAQ:

Madam Speaker, I have not given direction as to when it should be completed. Contact has been made with the executive director of the Association of Municipalities by the department staff and they should have completed the terms of reference by the spring conference. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Nahendeh, Mr. Antoine.

Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

MR. ANTOINE:

Mahsi, Madam Speaker. My question is for the Minister responsible for Renewable Resources. It pertains to a statement made on trapping. I received a letter, like other Members, called European Market for Wild Fur, dated February 22. We all agree that we have to ensure that trapping continues as a viable occupation. There are things happening in Europe, specifically with the International Standards Organization, the ISO, which is responsible for developing humane trapping standards.

I understand that there was a meeting in Ottawa on February 8 to 14 of the technical committee of the ISO, to identify acceptable trapping methods that would meet the requirements of the EEC regulations. It says that the object of the meeting was to reach agreement on humane trapping standards and a vote by ISO member countries accepting the standards. In this letter it says, "And, again, animal rights supporters were successful in achieving a situation where no vote could be taken without fear of losing the decision."

I would like to ask the Minister responsible exactly what happened at this meeting? It was a very important meeting and it seems that the meeting broke down and the intention of the meeting did not happen, which was agreement on acceptable humane trapping standards. Mahsi, Madam Speaker.

MADAM SPEAKER:

Thank you. Minister of Renewable Resources, Mr. Kakfwi.

Return To Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

HON. STEPHEN KAKFWI:

Madam Speaker, out of the thousands of pages of briefing notes that I have around me, I can't find the proper one. The meeting that the Member is referring to was a technical committee set up by the member countries of an organization called the International Standards Organization, which has about 120 countries belonging to it. The technical committee was struck to come up with some draft standards they could recommend to the full membership on what would be acceptable standards for quick kill and humane traps.

The work has been done over the period of the last few years and it is particularly political because, in my view, many of the member countries -- what some of the Europeans called the Anglo-Saxon countries -- are particularly strong about protecting wildlife. Having very little left themselves, they have -- perhaps out of guilt -- taken the view that everything should be saved in the world and people like ourselves should be prevented from using any more wildlife that we have in our country.

These countries spearheaded the movement to try to wipe out the fur industry a few years ago. It has, for instance, led to the boycott of baby seal pelts being imported into European countries. They, in fact, killed the market for seal pelts internationally. It was their view that by setting these high standards for trapping, none of the countries, including Canada, could meet the demands that the European Parliament set out. And, that we would fall far short of the mark and therefore, trapping would be wiped out.

In fact, we've surprised them with our own determination. Research into trapping methods had been going on long before the Europeans clicked on to that particular fad. What has been happening recently is that many of these countries, with their activists, have started lobbying to suggest that no standards or traps are acceptable at all. They are changing the rules in the middle of the game and we've objected to that. I think what has happened in this particular meeting in Ottawa is that some of the animal rights activists have moved in from Europe and parts of Canada and the US to lobby against any type of standards being adopted and put forward for recommendation to the full membership of the International Standards Organization.

So, rather than taking a chance on losing the vote at this time, some of the countries have asked to defer the vote. They will be meeting with Foreign Affairs Ministers and Trade Ministers of respective countries to ensure there is some certainty to the way in which the vote will take place in the next few months. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

MR. ANTOINE:

Mahsi, Madam Speaker. Referring to this letter I mentioned earlier, it says here also that, "All jurisdictions in Canada would apply for a one year suspension of enforcement of the EEC regulations, based on progress that

Page 313

has been made over the past several years in switching from leghold to humane traps."

I take it that the reason for that is different jurisdictions within Canada that are supposed to comply with these regulations are not in a position to comply at this time, and therefore the best solution is to apply for this one year suspension. I would like to ask the Minister if that's correct. If so, would he explain that to us? Thank you.

MADAM SPEAKER:

Thank you. Minister of Renewable Resources, Mr. Kakfwi.

Further Return To Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

HON. STEPHEN KAKFWI:

Madam Speaker, countries like the US and Russia are all subject to the regulations that the European Parliament passed some years ago. It is my understanding that all countries are putting forward the argument that they are making significant effort and are showing some progress in meeting the conditions set out in the European regulations and that they all will be applying for a one year extension. In Canada, it is my expectation that the federal government, through the trade Minister and through External Affairs, will be making some moves to elevate this issue to a major trade issue and taking it up with the respective governments within the European community in the next few weeks. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

MR. ANTOINE:

Mahsi, Madam Speaker. This is with regard to the application for a one year suspension of enforcement. This regulation is supposed to be in effect in 1995. Canada is not in a position to comply with these regulations, so there is a clause where you can apply for a one year suspension to apply on the enforcement of this regulation. That means it is up to the European Parliament to accept this application. They could reject this application. It says in the letter that there is a good chance that this application will be accepted, but what if it isn't? Then what happens? Mahsi, Madam Speaker.

MADAM SPEAKER:

May I remind Members, when you are referring to documents and asking questions to Ministers, those documents should be tabled in this House so Members are aware of the items discussed. Minister of Renewable Resources, Mr. Kakfwi.

Further Return To Question 191-12(5): Outcome Of ISO Meeting On Acceptable Humane Trapping Standards

HON. STEPHEN KAKFWI:

Madam Speaker, the European Parliament is a fairly new political body that some people have suggested is still searching for some reason for its existence. They are a Parliament that debates a great many issues. For instance, when I was there, one of their committees was discussing, at great length, what would be acceptable standards for the transportation of animals. For instance, how long an animal should be allowed to stand, what distance may be covered and the type of environment these animals should have when being transported, whether half a mile is an acceptable distance to be transported, et cetera. They also discussed rhinoceros horns, although we know there aren't any in Europe and haven't been for thousands of years, they spend a great time talking about these things. I am suggesting some of the issues they discuss...I have told them they have difficulty in focusing and very often make decisions that years later they find have had all types of implications, which they have tried to ignore.

What happens is they make their decisions and then it is up to the European Commission, which is a commission of very powerful civil servants who are appointed and forwarded by the member countries to carry out this work that the European Parliament passes. As I understand it, in this case, the one year extension is the prerogative of the commission to

decide what is significant progress and on what basis, terms and conditions under which countries should be qualified, if at all, to be considered for a one year extension.

When I met with the main Commissioner involved, he advised me that one of his underlings, a man named Weinstaeker, who is reported by some other sources to be a very avid, fanatical animal rights activist, was the civil servant who was going to decide whether or not there was a basis to go forward with the recommendation to the Commissioner. There are some of us who are praying that there is some objectivity left with the individuals involved. The civil servants and the bureaucracy have been well infiltrated by the animal rights activists. In this case, we know that it is not an objective setting at all, but perhaps the man is very professional and will disregard his own very personal biases and forward what we think is a very legitimate cause, since it is their own regulation. Hopefully, they will accept that there is a lot of substance in arguing that Canada has made significant progress in working towards meeting the demands of the European Parliament and the regulations they set out and that they will give us the one year extension that the regulations say can be given. Thank you.

MADAM SPEAKER:

Thank you. May I remind Ministers, when answering questions, to be brief in their replies. We had points of orders raised last week in this regard. Item 5, oral questions. The honourable Member for Yellowknife Centre, Mr. Lewis.

Question 192-12(5): Analysis Of Federal Budget

MR. LEWIS:

Thank you, Madam Speaker. Yesterday, we thought the federal budget was so important that we broke for an hour to listen to it. We are very interested in what that budget means. We are not all financial experts. So I would like to ask the Minister of Finance whether he intends to provide us with an analysis of that budget, so we can learn what the impact will be on the Northwest Territories. Thank you.

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Return To Question 192-12(5): Analysis Of Federal Budget

HON. JOHN POLLARD:

Thank you, Madam Speaker. I provided the analysis to the Standing Committee on Finance and Cabinet this morning. I would be glad to give it to other

Page 314

Members this afternoon. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 192-12(5): Analysis Of Federal Budget

MR. LEWIS:

Madam Speaker, I was up early this morning, but while about my chores, I did hear Mr. Pollard's voice on the radio. He mentioned a few things that may have some impact on us. Why is it that he chose to use the media to give his preliminary analysis, rather than doing it in this House first? Thank you.

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Further Return To Question 192-12(5): Analysis Of Federal Budget

HON. JOHN POLLARD:

Madam Speaker, there were numerous calls from the press to all Finance Ministers across the country, to talk to us after Mr. Martin's speech. I was accosted yesterday, if I can call it that, by the press in the hall and discussed it with them. I was asked by CBC to be on the radio show this morning. I did that. Madam Speaker, I don't mean to be offensive to Members of the House, but when the press asks me a question, I usually try to answer it. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 192-12(5): Analysis Of Federal Budget

MR. LEWIS:

Thank you, Madam Speaker. Not everyone listens to CBC. There are the other radio stations.

AN HON, MEMBER:

(Microphone turned off)

MR. LEWIS:

Maybe not as well known, but there are other radio stations. So I would like to ask the Minister of Finance, since he was well prepared to talk to CBC this morning, could he tell us what he broadcast to the public-at-large this morning on CBC Radio?

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Further Return To Question 192-12(5): Analysis Of Federal Budget

HON. JOHN POLLARD:

Thank you, Madam Speaker. The first part of the conversation with Randy was with regard to the good news and the bad news, Madam Speaker. I indicated what was good for the Northwest Territories and what was bad for the Northwest Territories. After that, I was asked about payroll taxes, my impression of the federal budget, had I been expecting something different or had we been warned by Mr. Martin and did he do what he warned us about. That was the end of the interview, Madam Speaker. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Yellowknife South, Mr. Whitford.

Question 193-12(5): Inclusion Of Organ Donor Cards
On Back Of Drivers' Licences

MR. WHITFORD:

Thank you, Madam Speaker. I have a question I would like to direct to the Minister responsible for Transportation. It is an issue I have raised before, and some of my constituents are concerned or have made inquiries about it. It is not a matter of urgent concern, Madam Speaker, but it is a matter that is quite important, and it deals with donor cards on drivers' licenses. The issue had been raised prior to this House and at other times, and it seems to not be making any progress. I had asked the Minister, and I pointed out some statistics to him on previous occasions. I would like to know whether there is any progress being made to this request to have donor cards on the back of drivers' licenses, because we all

know that it is an important service to people and that this service should be assisted. I just wondered if there is any progress being made, Madam Speaker.

MADAM SPEAKER:

Thank you, Mr. Whitford. You asked your question three times. Minister of Transportation, Mr. Todd.

Return To Question 193-12(5): Inclusion Of Organ Donor Cards On Back Of Drivers' Licences

HON. JOHN TODD:

Thank you, Madam Speaker. The honourable Member did ask this question in the last session. The Department of Transportation is currently exploring the possibility of establishing an organ donor program.

AN HON. MEMBER:

(Microphone turned off)

---Laughter

HON. JOHN TODD:

I don't dare. Anyway, I was going to nickname it that, but I thought I had better not.

---Laughter

However, there is a recognition of the seriousness of the issue and we are currently reviewing, the actual doing of...Excuse me, Madam Speaker.

---Laughter

I will start again. The Department of Transportation is responding to the honourable Member's request and is exploring the possibility of an organ donor card on the back of drivers' licenses. We are looking at the possibilities of doing that, however, it is not as simple as simply putting the information on the back of a card. We have to look at the logistics in the Northwest Territories and the difficulties if something should come about, but we are exploring it. At this time, I don't have a definitive response for the honourable Member but, hopefully, by the end of this session or some time in the early spring, we should be able to do that. We do recognize the importance of the issue. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Amittuq, Mr. Allooloo.

MR. ALLOOLOO:

Thank you, Madam Speaker. I would like

Page 315

to ask a question of the Minister responsible for Renewable Resources. The Minister has stated in this House that if you don't have the European markets for furs, then there is nothing else. This would have a great impact on our people, the Dene, Inuit and Metis people. The meeting of the Technical Committee on Setting Trapping Standards, in Ottawa, broke up last February. What caused the meeting to break up, Madam Speaker? Thank you.

MADAM SPEAKER:

Mr. Allooloo, Mr. Antoine had asked the same question to the same Minister. I would like to ask if you are willing to rephrase your question. Thank you.

Question 194-12(5): Resumption Of ISO Meeting

MR. ALLOOLOO:

Thank you, Madam Speaker. The Technical Committee on Setting Trapping Standards is a very important committee which will make recommendations to the European Parliament. What will it take to get the technical committee working again? Thank you.

MADAM SPEAKER:

Thank you. Minister of Renewable Resources, Mr. Kakfwi.

Return To Question 194-12(5): Resumption Of ISO Meeting

HON. STEPHEN KAKFWI:

Madam Speaker, the committee has done its work, and it is up to the members of that committee to take a vote. They have decided to defer taking a vote until a later date, and once they have taken the vote, which I hope will be to go ahead with the recommendations that certain standards be accepted by all the member countries of ISO, we can get on with the work of developing new traps, new standards for trapping and setting what are considered humane standards for the

harvest and the trapping of animals internationally. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Allooloo.

Supplementary To Question 194-12(5): Resumption Of ISO Meeting

MR. ALLOOLOO:

Thank you, Madam Speaker. Is the word humane still being talked about, whether it should be in the trapping standard or not, and which countries would like to have the "humane" in there and which countries don't want it in there? Thank you.

MADAM SPEAKER:

Minister of Renewable Resources, Mr. Kakfwi.

Further Return To Question 194-12(5): Resumption Of ISO Meeting

HON. STEPHEN KAKFWI:

Madam Speaker, earlier I referred to anglo-saxon countries. For those that don't know who they are, some of the European parliamentarians that I have met said those are the people from Great Britain, from the Netherlands and from Germany. These are the ones that are considered to be Anglo-Saxon countries, and they are in the forefront of this animal rights movement in Europe. What I find is that the members elected by these countries to the European Parliament are the ones that are the most fanatical about animal rights. It is now becoming increasingly clear to me that now that they know it is possible to do some work that would come up with new, innovative ways of trapping animals and setting very acceptable levels of killing animals, they have now started a lobby to say that there is no such thing as acceptable standards, that there is no such thing as humane methods or standards for harvesting of wildlife, that all killing, all harvesting of wildlife is inhumane and, therefore, no standards are acceptable. This is what is happening.

The European Parliament is now on its last legs because in July, I believe, there will be elections across Europe for new Members. There are some 500 or 800 of them that are going to be elected. All those people that I have met from what you call the anglo-saxon countries have indicated to me that the predominant public opinion in their constituencies is

that they have to act like they are very concerned about animal welfare and they have to demonstrate they are animal rights activists or public sentiment, at this time, will not see them re-elected.

I have raised the point that there were millions of people prior to the second world war that thought Hitler was the best thing that happened to Germany in a long time. There were millions of people, thousands that came out and thought it was a good thing, and, perhaps historically, some of them should stand up and show some backbone and say there are some moral obligations we have to people in this country and this world and that just because millions of Europeans feel that we should stop killing and trapping animals, does not mean it's right. We need some politicians with some backbone and some principle here. They said they were off to the election, and that's the last I saw of them. Thank you.

MADAM SPEAKER:

Thank you. Time for question period has lapsed. At this time, I would also like to caution Members that once a question is asked during a session, the same type of question from another Member should not be made. Thank you. Item 6, written questions. Item 7, returns to written questions. Item 8, replies to opening address. Item 9, petitions. Item 10, reports of standing and special committees. Item 11, reports of committees on the review of bills. Item 12, tabling of documents. Madam Premier.

ITEM 12: TABLING OF DOCUMENTS

HON. NELLIE COURNOYEA:

Madam Speaker, in response to Mr. Patterson's request for tabling of the December 1993 housing strategy, I wish to table the following, Tabled Document 25-12(5), A Long-term Staff Housing Strategy Summary of December 1993: Refinements and Initiatives. This summary outlines the three refinements and the two initiatives that were directed on December 16, 1993. To place these in context, a copy of the long-term staff housing strategy, reflecting the changes and amendments made during discussion and debate in the Assembly during February and March, 1993, is attached as an appendix. Thank you.

MADAM SPEAKER:

Thank you. Item 12, tabling of documents. Item 13, notices of motion. The honourable Member for Yellowknife Frame Lake.

Page 316

ITEM 13: NOTICES OF MOTION

Motion 14-12(5): Establishment Of Special Joint Committee On Division

MR. DENT:

Thank you. I have a long notice of motion to make. Madam Speaker, I give notice that on Friday, February 25 I will move the following motion.

I move, seconded by the honourable Member for Sahtu that this Assembly establish a special committee, with equal representation from the east and west, to be named the Special Joint Committee on Division; and further, that, notwithstanding rule 88(2), that the special joint committee consist of eight permanent Members, comprised of six ordinary Members and two Ministers, be appointed; and furthermore, that there be six alternate Members, comprised of four ordinary Members and two Ministers, appointed to the Special Joint Committee on Division; and furthermore, that the following provisions be adopted as the terms of reference for the Special Joint Committee on Division:

Information Exchange Mandate

A primary function of the Special Joint Committee on Division will be to ensure a regular flow of information on division issues between and among the Legislative Assembly and Executive Council.

To achieve this objective, the special joint committee will:

- 1) Prepare written status reports on division issues, including the activities of the Special Joint Committee on Division, for regular distribution to all Members and the Executive Council.
- 2) As requested, prepare specialized written and oral briefings on division issues for Caucus, strategic planning workshops, the Nunavut and western Caucuses, standing committees and the Executive Council.
- 3) Provide the general public with updates on division issues through regular reports to the Legislative

Assembly and through briefings for the northern and national media.

- 4) Contribute to public information programs which may be initiated by the federal and territorial governments, advisory agencies and other participants in the division process.
- 5) Redirect to Ministers, Members and the appropriate territorial, federal or advisory agencies any inquiries from the general public, interest and lobby groups for meetings and information.

Recommendation-Making Mandate

The special joint committee will also assume an important role in recommending how the Legislature and Executive Council should address division issues. In responding to this objective as quickly as possible, the special joint committee will, by April 30, 1994:

- 6) Develop recommendations on the following matters for consideration by the Executive Council and Legislative Assembly:
- matters which should be addressed and concluded during the terms of the current Executive Council and Assembly;
- matters which should be initiated by the current Executive Council and Assembly and concluded by their successors;
- matters to be dealt with by the 13th Legislature but which require recommendations from the current Executive Council and Assembly; and,
- matters which should be the exclusive responsibility of the next Executive Council and Assembly.
- 7) Develop recommendations for the establishment of independent special project panels to provide advice on division issues. Particular attention should be given to a panel on division of assets and liabilities.
- 8) Recommend to the Legislative Assembly a special joint committee budget which takes into account the following for fiscal years 1994-95 and 1995-96:
- special committee Members' indemnities and expenses
- independent special project panels
- professional services, including production of reports

- support staff

During the remainder of its mandate, the special joint committee will be expected to:

9) Develop recommendations on other matters which may be referred to the special joint committee from time to time by the Legislative Assembly, its standing committees and caucuses and the Executive Council, as well as other unforeseen issues identified by the special joint committee.

Liaison Mandate With Other Division Participants

From time to time, the special joint committee may be required to communicate with other participants in the division process.

In responding to this mandate, the special joint committee may:

10) Request advisory agencies, such as the Nunavut Implementation Commission and the Western Constitutional Development Steering Committee and other participants in the division process, for research, analysis and recommendations which are required for the special joint committee, the Executive Council and the Legislative Assembly to meet their obligations relating to creation of two new territories.

Page 317

11) Make recommendations, as required, to the Executive Council and the Legislative Assembly on the research, analysis and recommendations which are provided by advisory agencies and other participants in the division process.

Operation Of The Special Joint Committee On Division

In responding to these terms of reference and to organize itself for operation, the Special Joint Committee on Division may undertake the following:

12) Information and Analysis on Division Issues

Request information and analysis on division issues from the Executive Council, GNWT administration, federal government, advisory agencies, aboriginal organizations and other participants in the division process.

13) Consultations, Discussions and Meetings

The special joint committee will not hold public meetings but may be required to undertake consultations, discussions or meetings with government, aboriginal organizations, advisory agencies and other participants in the division process.

14) Special Joint Committee Co-chairs and Quorum

Choose Nunavut/western co-chairs, representing the Executive Council and Legislative Assembly, from the permanent Members. The quorum for meetings will be six permanent and/or alternate Members present, with equal representation from Nunavut and the west, two of whom must be Ministers, one from Nunavut and one from the west

15) Subcommittees of the Special Joint Committee on Division Establish subcommittees of both permanent and alternate Members from time to time to consider and report back to the joint committee on special assignments.

Set the quorum for meetings of the subcommittees. there shall be at least one permanent or alternate Minister on each subcommittee.

16) Independent Special Project Panels

Establish and oversee the operation of independent special project panels of experts to examine and make recommendations on issues of importance to creation of two new territories.

17) Support Staff

Hire permanent staff and contract professional services, as required, to assist the special joint committee. Request the temporary reassignment of GNWT officials to provide support to the committee on special projects.

Cooperation/Consultation With Executive Council, GNWT Administration And Legislative Assembly

The Special Joint Committee, the Executive Council, the GNWT and the Legislative Assembly must coordinate their efforts to reduce the potential for overlap and duplication of work, and to maximize the use of resources on the division initiative.

Accordingly, the Special Joint Committee, in the fulfilment of its mandate will make every effort to:

18) Regularly coordinate, consult and cooperate with Caucus, standing committees, the Executive Council and GNWT administration, through the Division

Review Secretariat, on issues including, but not limited to, the following matters:

- the preparation of written status reports and specialized briefings on division issues;
- contributing to public information programs;
- developing recommendations on how the Executive Council and Legislative Assembly should address division issues:
- the establishment of independent special project panels;
- the preparation of budgets, hiring support staff and requesting the temporary assignment of GNWT officials;
- communicating with other participants in the division process; and,
- requesting information and analysis on division issues from the GNWT administration.
- 19) As required, seek direction from the Executive Council and/or the Legislative Assembly on any other matter that, in the opinion of the special joint committee, requires their attention.

Thank you, Madam Speaker. I hope I don't have to speak immediately after this in favour of the motion on Friday.

---Laughter

MADAM SPEAKER:

Thank you. Item 13, notices of motions. The honourable Member for Deh Cho, Mr. Gargan.

Motion 15-12(5): Amended Terms Of Reference For The Advisory Committee On Social Housing

MR. GARGAN:

Madam Speaker, I give notice that on Friday, February 25, 1993, I will move the following motion.

Now therefore I move, seconded by the honourable Member for Amittuq that the following amended terms of reference for the Advisory Committee on Social Housing be adopted:

Purpose

- To provide ongoing advice from elected representatives to the Minister responsible for the Northwest Territories

Page 318

Housing Corporation and the Legislative Assembly on broad territorial social housing issues;

- And to provide a forum for the Minister responsible for the Northwest Territories Housing Corporation to share information and consult with elected representatives.

Structure

- three permanent Members from the east;
- three permanent Members from the west;
- chaired by the Minister responsible for the Northwest Territories Housing Corporation; and,
- two alternate Members, one from the east and one from the west.

Term

- for the duration of the 12th Legislative Assembly.

Mandate

The Advisory committee on Social Housing shall:

- a) inquire into such housing matters as may be referred to it by the Legislative Assembly;
- b) review major new or revised policies or programs proposed by the Northwest Territories Housing Corporation;
- c) review major issues arising from existing policies or programs of the Northwest Territories Housing Corporation;
- d) review the major housing issues arising from the community consultation undertaken by the Northwest Territories Housing Corporation with members of the public, local housing organizations, community governments and interest groups;
- e) provide advice to the Minister responsible for the Northwest Territories Housing Corporation and the Legislative Assembly; and,
- f) provide opportunities for all Members to raise concerns related to housing and to have input on

housing issues on the review by the advisory committee.

Conduct of Business

- 1. The Advisory Committee on Social Housing shall conduct its business in a manner approved by the Legislative Assembly;
- 2. The Advisory Committee on Social Housing shall appoint a chairman, who shall be the Minister responsible for the Northwest Territories Housing Corporation. The chairman shall not vote;
- 3. The Advisory Committee on Social Housing shall appoint one of its Members to serve as a deputy chairman;
- 4. A quorum of the Advisory Committee on Social Housing shall consist of four Members, including the chairman;
- 5. The Legislative Assembly shall provide from its appropriations the necessary funds for the advisory committee to carry out its responsibilities;
- 6. The advisory committee shall have the power to sit during sessions, adjournments and recesses of the House;
- 7. Meetings of the Advisory Committee on Social Housing may be called at the discretion of the chairman, or a majority of Members, to deal with matters as required;
- 8. The advisory committee, as a whole, or individual Members, may undertake such travel as required to carry out the assigned responsibilities of the committee;
- 9. The Advisory Committee on Social Housing shall make regular reports to the Legislative Assembly, through the deputy chairman; and,
- 10. The necessary administration support for the Advisory Committee on Social Housing shall be provided jointly by the Northwest Territories Housing Corporation and the Legislative Assembly.

Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 13, notices of motion. Item 14, notices of motions for first reading of bills. Item 15, motions. Item 16, first reading of bills. Item 17,

second reading of bills. Item 18, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1994-95; Committee Report 2-12(5), Review of the 1994-95 Main Estimates; 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. Ningark in the chair.

ITEM 19: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Ningark):

Thank you. The committee will now come to order. When we concluded yesterday, the Finance Minister, John Pollard, had just made his introductory remarks and Mr. Antoine, the chairman of the Finance Committee had just concluded his opening report. What is the wish of the committee? Mr. Antoine.

MR. ANTOINE:

That we get into the Department of Finance with Bill 1. We finished the opening remarks and we can get into general comments after a break.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Do we have the concurrence of the committee that we will go into general comments on the Department of Finance after the break?

Page 319

SOME HON. MEMBERS:

Agreed.

---Agreed

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

Department Of Finance

CHAIRMAN (Mr. Ningark):

Thank you.

---SHORT RECESS

CHAIRMAN (Mr. Ningark):

This committee will come back to order. As I mentioned earlier, the chairman of the Standing Committee on Finance concluded his report yesterday, on behalf of the Finance committee. Now we are in general comments. We are reviewing the Finance department. Are there any comments from Members? We are on page 04-7, I believe. Pardon me, 04-5. General comments. Mr. Antoine.

MR. ANTOINE:

Mr. Chairman, I was just talking to the page. I didn't have my hand up.

CHAIRMAN (Mr. Ningark):

General comments. Mr. Gargan.

General Comments

MR. GARGAN:

Mr. Chairman, I don't know if this is where we talk not only about finances but also about revenues. My general comment is with regard to the tobacco tax. The Minister has indicated that he wants the level that you pay for tobacco to remain the same in order to collect the extra \$2 million in revenues. At the same time, in Monday's News/North newspaper -- I haven't read it -- the revenue from sales of liquor is down. I would like to ask the Minister what he then intends to do in order to maintain that same level of revenue. Does he plan on increasing the booze tax in order to keep that level?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. As a practice of the committee of the whole, if the Minister wants to bring in the witnesses, it is at your discretion, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, it is true that the consumption of alcohol is down in the Northwest Territories, which I think is a good thing. I think we all recognize that there may be just a little too much alcohol around. I get lobbied by all kinds of different people with regard to liquor pricing. There is the tourist industry -- the hotels, the restaurants and so on and so forth -- who say that when you increase the price of liquor, beer and wine, it then becomes difficult to attract people to the Northwest Territories. The costs are too high. On the other hand, there are those people in the business of dealing with the effects of over-indulgence in alcohol that claim that having high prices, although it

may ultimately reduce our revenues, makes it more difficult to get as much liquor to drink. Therefore, they believe that higher pricing leads to less consumption and less consumption is what is required in the Northwest Territories. On liquor, I am not proposing to do anything at the present time.

Mr. Chairman, with regard to tobacco, it is slightly different in that the reduction in the price of tobacco has not been created by this government. As Mr. Lewis rightly stated, it has been reduced by the federal government reducing their part of the price upon which we base our percentage, and, therefore, our revenues are going down. When the price goes down, as I have said before, we believe that the consumption is going to go up, and therefore, there has been a price reduction in the Northwest Territories in tobacco. There hasn't been any price reduction as far as liquor is concerned. That is why I am proposing to move back into that area and maintain that price the way it was before the federal government reduction. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, as for revenues and the collection for the purposes of creating revenues and for the purposes of fairness, if a person in Quebec pays four dollars and eighty-eight cents for a pack of cigarettes and the cost up here is still seven dollars and whatever it is, there is nothing fair about that. If you also look at universal programs, the universal programs are based on fixed income. Just because the price of tobacco increases doesn't mean that people on pension or on social assistance have their assistance or security contributions increased to reflect that increase. It certainly would make it possible for a person that is living on a fixed income in Quebec to have that dollar stretch a long way. I think that when this tobacco tax was first introduced in the north, my concern was for the senior citizens, but they are not getting the break that they should be getting. If the Minister wants to keep the prices the same, then I agree that it should be targeted towards the young people, which I think the Minister has made statements to that effect on numerous occasions. I would hope that, while it is great and noble and very courageous of the Minister to do that, we are doing something for the senior citizens that are still on fixed income. The Minister is well aware of the social programs, the universal social programs that are

under assault right now. If you want to maintain the price, I don't mind that, but I would appreciate if somehow we might be able to try to give our senior citizens a break.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. The honourable Minister of Finance, Mr. Pollard.

HON. JOHN POLLARD:

I understand what Mr. Gargan is saying, Mr. Chairman, and I will take it under consideration. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Koe.

MR. KOE:

Thank you, Mr. Chairman. Just a couple of questions on the definitive objectives listed on page 04-5. In revenue and asset management, one of the objectives is to develop a database of accounts. It seems that we have had computers for many years and it surprises me that we wouldn't already have a database of our bank accounts and signing authorities. Is this a new program or is this database a new development?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Thank you, Mr. Chairman. Mr. Chairman, can I just get clarification of where the Member was

Page 320

reading from? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I believe the Member stated page 04-5, definitive objectives. Thank you.

HON. JOHN POLLARD:

Oh, I see. Mr. Chairman, the needs of the government change over the years so the requirement is to update information that's already available, consolidate that information and look at the disbursement controls. I would say that there is a

data base in place at the present time and we're updating the data base and consolidating it. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. The honourable Member for Inuvik.

MR. KOE:

Mahsi. Under the Bureau of Statistics, you mention the winter 1994 community labour force survey. Is this under way now or when will this survey start and what communities are being surveyed?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance, Mr. Pollard.

HON. JOHN POLLARD:

The survey has begun, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

The honourable Member for Inuvik.

MR. KOE:

What communities are being surveyed, or are all communities being surveyed?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

HON. JOHN POLLARD:

The survey is across the Northwest Territories, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

How is this survey being done? It's a labour force survey, it is all employed people. Is every household and workplace being surveyed? What's the process?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, I'm not sure what the process is. I would ask that I could bring in witnesses so that I could answer that detailed question.

CHAIRMAN (Mr. Ningark):

Thank you. Do we have the concurrence of this committee that the honourable Minister bring in witnesses?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Sergeant-at-Arms, please bring in the witnesses. Thank you. For the record, Mr. Minister, could you please introduce the witnesses.

HON. JOHN POLLARD:

Mr. Chairman, on my left and your right is Mr. Eric Nielsen, the deputy minister of Finance and on my right, your left, sir, is Mr. Bill Setchell who is the director of finance for the Department of Finance. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Before we brought in the witnesses, there was a question from the floor and Mr. Minister was in the process of responding to that. He wanted to bring in the witnesses. Mr. Minister, would you proceed please with the response.

HON. JOHN POLLARD:

Mr. Chairman, the Northwest Territories is not included in the monthly national labour force survey. But there are some statistics available from the census of Canada and from community labour force surveys completed by this Bureau of Statistics in 1985 and 1989. The work being undertaken is seasonal patterns of employment, the type of work wanted, education levels and perceived training needs, alternative definitions of unemployment, participation in hunting, fishing, trapping and traditional craft activities, knowledge of aboriginal and other languages, and length of residence in the Northwest Territories. It's being done across the Northwest Territories, although not everybody is being interviewed. It's being done according to statistical sampling, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Koe.

MR. KOE:

Thank you. The next question is about the survey of NWT households to measure their travel expenditures. I'm curious as to what is instigating the review of this. What reason is behind this survey?

CHAIRMAN (Mr. Ningark):

Thank you. To the Bureau of Statistics, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, it's being done on behalf of ED&T. It's being funded out of the Canada/NWT economic development agreement. The information will be used by ED&T for its program planning activity and by the Bureau of Statistics to help estimate the import component for territorial gross domestic product figures. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

Thank you. The last definitive objective is the study of a Yellowknife-Edmonton spatial price survey. I'm wondering why we're using the assistance of the Yukon to do a Yellowknife-Edmonton survey. Why are we working in cooperation with the Yukon Bureau of Statistics?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, it's not unusual for us to be cooperating with other provinces or other jurisdictions when we're gathering information. In this case, both being territories and both being in the northern part of Canada, we were cooperating to keep the price down. Unfortunately, the Yukon Bureau of Statistics has withdrawn and we'll continue the thing on our own, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Arvaluk.

MR. ARVALUK:

Thank you, Mr. Chairman. I will be making more thorough general comments when the Minister of MACA is at the witness table. However, I would like to touch on the departmental overview on formula financing, the financial arrangements with the intergovernmental area, especially in light of the new funding formula that the government initiated a couple of years ago with the municipalities.

Right now, the administration of the municipalities is being strained to the utmost because of the inefficiency in overall program delivery from the Government of the Northwest Territories. There were never enough funds before but because the hamlet is being recognized as coordinator of community projects from different departments, this has strained even more the administrative requirements without sufficient funds.

I will give you an example of how a small settlement tries to coordinate government programs. Last year, the Department of Education, Culture and Employment Programs advised us that funding for an apprentice that we had on staff was being eliminated. As we could not afford to keep this person on staff without funding assistance, we issued the person a lay-off notice. Within several days of issuing the lay-off notice, another person from within the same office advised us that they did have another program through which one person could be funded.

This is one small example of many of the pressures that municipalities get from the departments, with no additional funds to coordinate it. I also think the concern to municipalities is employees have requested they be given equal treatment as the Government of the Northwest Territories. These are the hamlet employees. With respect to vacation travel assistance, Coral Harbour follows the old system whereby those going out on the land don't get nearly as much as those who take a flight to a departure point. In Keewatin, it is Winnipeg. A majority of our employees either take on the land assistance or a flight to a destination much closer than Winnipeg. The hamlet cannot afford the additional funds required to move to the new government system without a significant increase in the formula funding. Will there be a review of formula financing, through community transfer initiatives, that would require former government employees who will be moving to become municipal employees must get

equal benefits as those currently enjoyed by the territorial government? Is there a move by the territorial government allowing municipal employees to get the same benefits as those government employees? Will there be a renegotiation of the formula financing with municipalities to allow them to do that?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Arvaluk. This relates to the MACA program, but with financial ramifications. Mr. Minister.

HON. JOHN POLLARD:

Thank you, Mr. Chairman. Mr. Chairman, it actually falls under FMBS, but I will answer the question anyway. That comes under the issue of wage parity and we are looking at that now. As Members know, the Government of the Northwest Territories employees have a different kind of pension plan than the municipal employees, who are under the MEBA plan. There was a meeting recently in Edmonton about MEBA and looking at the kinds of difficulties the Member points out. As we transfer responsibilities from our government to hamlets, villages or towns, there needs to be some assurance that employees are not going to get less or they are made reasonable offers. That issue is being looked at by FMBS, Mr. Chairman, at the present time. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. We are on page 04-5, the Department of Finance. Shall we go into detail?

SOME HON. MEMBERS:

Agreed.

---Agreed

Directorate

CHAIRMAN (Mr. Ningark):

Thank you. Page 04-8, directorate, operations and maintenance, total O and M, \$659,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

Revenue And Asset Management

CHAIRMAN (Mr. Ningark):

Thank you. Revenue and asset management, operations and maintenance, total O and M, \$4.696 million. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Could the Minister advise us, in terms of risk management, does this government issue a tender calling for insurance services or have we gone to proposal? Could we get some detail on how we choose insurance coverage?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance, Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, I told the Standing Committee on Finance that we would have a look at this and we have. The problem is there doesn't appear to be anyone in the Northwest Territories who can handle this. We have a broker in Vancouver who handles our insurance. I am prepared to commit that the next time we go looking for insurance quotes, we will advertise in northern newspapers just to see if there is someone northern who wishes to quote with us, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Arvaluk.

MR. ARVALUK:

Thank you, Mr. Chairman. What is the main reason for the loss of revenue of more than \$500,000, on page 04-11?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, I don't see that item. Aren't we on page 04-9?

CHAIRMAN (Mr. Ningark):

Yes, we are on page 04-9. We will get to the item tax administration later on. That would be

Page 322

the appropriate time to bring this up. Mr. Arvaluk.

MR. ARVALUK:

Mr. Chairman, I should have said about \$3 million from the main estimates to the revised forecast.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON, JOHN POLLARD:

Mr. Chairman, it might be better if we explain the revenues when we get to 04-14 because all the revenues are listed out there.

CHAIRMAN (Mr. Ningark):

Thank you. Does the committee agree? Mr. Arvaluk, do you agree?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Page 04-9, revenue and asset management, operations and maintenance, total O and M, \$4.696 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

Fiscal Policy

CHAIRMAN (Mr. Ningark):

Thank you. The next page, fiscal policy, operations and maintenance, total O and M, \$738,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Tax Administration

CHAIRMAN (Mr. Ningark):

Thank you. Page 04-11, tax administration, operations and maintenance, total O and M, \$788.000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Bureau Of Statistics

CHAIRMAN (Mr. Ningark):

Thank you. Bureau of Statistics, operations and maintenance, total O and M, \$531,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Do we have any questions on the revenue side of this particular section? Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I had a few questions on this page. I was wondering if the Minister could outline for the House what he feels are important factors in the projected drop in corporate taxes, from \$53 million in 1992-93 actuals, \$50 million in 1993-94 main estimates to a projected \$23 million or better than a 50 per cent drop in less than two years, from 1992-93 actuals, to what is projected for next year in corporate tax receipts.

CHAIRMAN (Mr. Ningark):

Thank you. The section Mr. Dent is referring to is on page 04-14. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, there have been less profits made in the last few years with corporate income tax because of the downturn in the economy. That has been one of the reasons. There is also a lag time that we see in our information that comes from Revenue Canada. We did experience some high corporate taxes a couple of years ago and now we're seeing a decline again.

There's also the issue of companies having the ability to declare here or to declare somewhere else in Canada. It's never been one of those things that we are easily able to forecast. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Thank you. Mr. Dent.

MR. DENT:

Thank you. I guess what I'm looking for is the Minister's ideas as to what was the biggest factor. Would the Minister say that the decline in the economy was the biggest factor in the decline in revenues? In other words, that corporate profits were down so significantly that we saw a drop of \$25 million in taxes?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON, JOHN POLLARD:

Mr. Chairman, it's hard to pin this one down but in 1993-94, the assessed income was down by \$100 million from just one or two companies. I can't say who the companies are, I don't even know who the companies are, myself. There are not a lot of large players in the NWT that are contributing to this corporate tax and when their assessed income is down by \$100 million, obviously we get less money. So, I would say it's a mixture of a downturn in the economy and there may be some companies who are not declaring as much of their income as they did in prior years in the NWT for various reasons. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife Frame Lake.

MR. DENT:

Thank you, Mr. Chairman. I have another question. We are showing in the 1994-95 main estimates, a projected \$11.7 million in payroll tax. I'm assuming that, rather than showing a net figure, that's what comes in from the payroll tax and the net that we actually show is in the personal income tax. I was wondering if we could get an idea from the Minister of the department, what would the personal income tax revenue be if it were not for the credit, because of the imposition of the payroll tax?

CHAIRMAN (Mr. Ningark):

Thank you. Your projection, Mr. Minister?

HON. JOHN POLLARD:

Mr. Chairman, it would be an increase of \$4.7 million so you would be looking at around \$69

Page 323

million. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife Frame Lake, Mr. Dent.

MR. DENT:

So that means that the payroll tax, as it is set up, will net this government \$7 million next year?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

In the cash flow, that is correct, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Could the Minister of the department advise us what it would take, in terms of a personal income tax rate increase, to achieve the same net revenue?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

HON. JOHN POLLARD:

In a particular year, it would be three percentage points on personal income tax, Mr. Chairman. That's the fast calculation at the table here.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I should have asked this when we were dealing with tax administration, I guess, and I apologize for not doing so. But, with the indulgence of the committee, could I ask what the cost of administering the payroll tax is in each year?

CHAIRMAN (Mr. Ningark):

Thank you. I believe the committee would agree. Mr. Minister.

HON. JOHN POLLARD:

A total of \$222,000, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Just to follow up on that, for that \$222,000, will we have enough people to actually enter all the data that you're expecting from employers, including social insurance numbers of people who have worked in the Northwest Territories for their companies, and for cross-referencing and checking all of the information that big brother seems to want on the form for the payroll tax?

CHAIRMAN (Mr. Ningark):

On the information, Mr. Minister.

HON. JOHN POLLARD:

Yes, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments on this page? Mr. Ballantyne.

MR. BALLANTYNE:

I have a question on the payroll tax. I think the Minister knows my feelings about the payroll tax. As the Minister of Finance, I refused to put it in even though there was a request from the Standing Committee on Finance. But, nonetheless, it's here. I wonder, because of some of the irritants in the payroll tax, especially for small businesses, when the federal government said they're trying to move towards the harmonization of the tax system throughout Canada, is there any opportunity to do something to combine the payroll tax with some federal tax? Is there any

way we can do something to lessen the actual paper work involved in administering this tax?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, the whole tax structure across Canada and the different jurisdictions needs to be looked at, simply because if you look at the corporate income taxes across Canada you'll find there are straight corporate income taxes and then there are capital taxes on top of that. If you look at the problem we're in now with tobacco taxes across Canada, it is because of the jurisdictional differences we have. I think Ontario has just done a fairly lengthy study on tax reform. I think Mr. Martin will probably move in that direction. Certainly, it's been looked at by some of the provinces before and if there is a chance, over the next few years, to get a better system that's more streamlined with less overlap and duplication, I think we would seize upon that chance and take advantage of it, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ballantyne.

MR. BALLANTYNE:

I know the Minister knows the frustration that small businesses have with the GST. There is one school of thought, that the GST was really the straw that broke the camel's back as far as kick-starting the underground economy. In one way, many small businesses consider the payroll tax to be sort of a northern equivalent, added on top of the GST. I really hope that the Minister takes advantage of any opportunities that come our government's way to find a less onerous way, and a way with less administrative hassles, to accomplish the objectives of this government.

It might well be, and I'll ask the Minister this question, in the next year or so if an opportunity comes about, would the Minister at that time consider reviewing the payroll tax? If there is a more appropriate way of achieving some of those objectives, would the Minister consider getting rid of the payroll tax and using another avenue?

CHAIRMAN (Mr. Ningark):

Thank you. On the criteria of taxation, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, there have been some discussions with the federal government about a different way of doing things and it has been suggested by the provinces. We have looked at it, but when Mr. Todd gets up, like last week when he announced that BHP is very close to a decision with regard to a mine in the Northwest Territories and said there will be 1,000 construction jobs, and if we fill 50 per cent of those jobs from people in the Northwest Territories, I guess we will think ourselves lucky. If you look at the number of people that are travelling through Hay River, right now, who are resident elsewhere in Canada and working at Colomac Mines, and if the diamond mines come on stream and you are looking at 600 or 700 employees, 350 of which may be commuting back and forth from southern Canada, if we change this system of tax that we have put in place to get some payment from

those people who are residing elsewhere, then we may not be able to get those people.

Page 324

So I think that, yes, people have complained about the payroll tax, but the payroll taxes that you hear people complaining about in other provinces are the payroll taxes that are placed upon the employer, not on the employee. I think employees are starting to see that they will get some of those funds back. If you are a low income earner, you will get more back than you paid in. If you are high income earner, you will get back a little less than you paid in.

We still have to watch out for the fact that there are a number of people in the Northwest Territories, that number is increasing and will increase if we get major developments here, who are working here, earning a living here and residing elsewhere and thus paying taxes elsewhere. That was the reason that I brought in the tax in the first place. If we change to some other tax, we may miss those people, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ballantyne.

MR. BALLANTYNE:

I am fully aware of the rationale that the Minister used. I still don't agree with. It seems to me, though, that when we are talking to the federal government, there are some obvious barriers for us to achieve our objectives in a more rational way. I see why the

Minister took this route because, at that point in time, there weren't those other alternatives for him to accomplish the ends that he wanted. It seems to me. for instance, that we have a very favourable personal income tax. If there are barriers for people declaring their income tax in the Northwest Territories as opposed to a jurisdiction with a much higher personal income tax, I would like the Minister to explain what those barriers are. If there are barriers, it seems to me that would be a logical approach with the federal government. Let's review those barriers. If the federal government really believes in the free flow of capital and people across Canada, then it would seem to me that they couldn't have a moral objection to people paying their personal income tax in the Northwest Territories if they work in the Northwest Territories, and if it is cheaper for people it seems to me that it would be to their advantage to do so. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. On the logistics of revenue, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, I guess the easiest way to do it would be if all the provinces and territories agreed that they would receive the income tax from the federal government that the federal government collects on our behalf, except for Quebec, of course. If we were to receive the income tax based on the jurisdiction in which it was earned, if that could be worked out and could be the same as the way they are trying to pull down the trade barriers then I am sure that somebody would find some way to criticize it, but it would certainly be a way in which you could say, if the person is earning in your province or territory, then here is the money that he or she paid in income taxes in that particular province or territory. That would be the way to work it out. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife North. Mr. Ballantvne.

MR. BALLANTYNE:

I appreciate that response because I think that with new climate in Ottawa, hopefully, the federal Finance department won't be quite as rigid as they have been in the past. I just hope that the Minister continues to pursue other avenues that I think would be more progressive and would be less onerous than the payroll tax.

I have another question. The Minister is renegotiating the formula financing agreement, and one of the problems that, as I recall, we had in the formula financing agreement was that even with our low corporate income tax, which I guess was the lowest and now is second or third lowest, there was still no net gain if a company decided to move their headquarters or, in the case of a big company, their financial assets, on paper, anyhow, to the Northwest Territories. Because of the formula that any increased taxes wouldn't directly come to us, as I recall it. I think it was Marconi, at one point, that moved quite a sizeable pool of money up to the Northwest Territories. Now, though there are difficulties and there are always jealousies with other jurisdictions, is there any effort being made by the department to try to deal with that sort of area whereby we could actually attract pools of capital to the Northwest Territories and take advantage through our tax system of those pools?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance, Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, if we could get rid of the perversity factor in the formula, then that would solve a lot of our problems right there. Right now ,we are doing everything we can to convince the federal government to get rid of this perversity factor and allow us to get on with life, and so, yes, that is what we are doing to try and address that issue, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife North, Mr. Ballantyne.

MR. BALLANTYNE:

The point I tried to make yesterday in my response to the budget is that the federal government is looking at us the way they look at other jurisdictions, from a fairly narrow perspective, and all they see is that we are very dependent on the federal government and we receive, comparatively, a good chunk in transfer payments but we still maintain relatively low taxes. They don't see the tax burden, which was the argument that we made a thousand times. Mr. Nielsen can do the tax burden argument backwards

and forwards in seven languages. They also don't see that in the long term, unless you do something that will improve our economy, we will progressively get more dependent on the federal government. I wonder if the Minister could share with us any new approaches that he is going to bring to bear on the federal government on this issue. We used the best experts in the country but federal Finance was adamant that we had to bring our level of taxation up to a provincial standard. I wonder if the Minister could share with us any new approaches in this area, if you are not giving away any negotiation secrets.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister, do you have any brilliant ideas on this?

HON. JOHN POLLARD:

I think the only thing that is going to change them is the armed approach, Mr. Chairman.

---Laughter

Page 325

Mr. Chairman, the last effort that we made was a little different. It was done on the basis of disposable income, I think, and we diligently used all the methods that were acceptable to the federal bureau of statistics and worked the thing out versus, I think Halifax, Nova Scotia, was the point that we used to compare to. We did these numerous calculations and papers and sent them into the department. By the way, it was St. John's, Newfoundland. I am reminded. We have yet to receive a response from the department, Mr. Chairman.

The enemy is not the politicians, because, very recently, in the last eight months, a federal Minister was heard to comment that they were glad that somebody understood the formula financing agreement because they certainly didn't. That is the difficulty that Mr. Ballantyne had. It is the difficulty that I have right now. I understand the formula financing agreement to the point where I am dangerous. That means that I don't understand all of it, Mr. Chairman. I am not saying I do, but I am pretty dangerous with it. When I sit down with other politicians to discuss this, I find myself having to talk to the bureaucrats who are eventually going to advise their Minister.

If we could get a simpler agreement, one that politicians could understand, then I would probably

have more luck at making the pitch. I can make it to the politicians and they tell me at the meeting, I understand and it sounds silly to have a perversity factor. Gee, that is no good at all. Yet, the next letter comes back and they have been advised by their officials that perversity is something that is in the agreement for a very good reason.

If you want my honest opinion on what is going to change this thing, a politician in the federal government who says, to heck with convention. I understand your problems. I'm willing to work with you. We'll change it with the stroke of his or her pen. That is the message that we are now taking. I have given up on the bureaucracy. I think Cabinet agrees that this has got to be dealt with at the political table. We'll keep hammering away until there is a politician with that kind of nerve who says, to heck with convention. I understand your problem, and here is the deal. Get on with life. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. In a way, you are saying that federal politicians should open the tab a little bit wider. Mr. Ballantyne.

MR. BALLANTYNE:

I agree. It has to be a politician. We have gone through a long string of politicians. I think the Minister remembers, when he was the chairman of the standing committee, some of the politicians who we talked to, most of whom agreed that it was unfair. He may also remember certain specific deputy ministers who were very adamant about this as an underpinning of Canadian unity. When does the Minister think he'll get a sense of whether the federal government is going to be flexible on this? That is my first question.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, I talked to Mr. Martin before the budget and I mentioned to him again about the things that we have been talking about, the four or five items that we had on the table. He will be back to me quite quickly on where those issues are at, at the present time. Tomorrow, I have a 45 minute telephone call with Mr. Irwin. This issue is going to come up along with health billings again tomorrow. Mr. Todd and I will be in Ottawa during the break and the issue will come up

again. I am hoping that, one way or another, we can have this thing resolved in the next six months. I should say that if, by August, we haven't made any progress, then it is going to take something a lot more than just talking to those people to make them understand. I'm thoroughly sure that we are going to be listened to. Whether they will make any changes, Mr. Chairman, I can't say.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ballantyne.

MR. BALLANTYNE:

This is my last comment, Mr. Chairman. I think the frustration that the Minister is sharing with us strengthens the point of the standing committee that it is difficult to deal with these issues one at a time, because, if you deal with the Department of Health issue, then the Department of Health bureaucracy, who are in the health culture, have very strict health perspective.

The Department of Finance, as we know, is probably the most interesting culture of them all. It is very difficult for them ever to let go with their theories of how life goes around. There is no certainty in any of this, as you know, in this serious fiscal situation the country finds itself in. The only way to unlock some of these individual problems is with a package. Again, we have emphasized that. Sometimes it is easier to say than to put into effect.

Basically, at the Finance Minister's level and the Prime Minister's level, they have to be convinced of a political as well as a financial package. The goals that we are trying to achieve, through the resolution of these problem areas, have to be goals that fit into their long-term objectives. The goal of economic self-sufficiency has that long-term payback to Canada, because as the Minister of Energy, Mines and Petroleum Resources has said a number of times, any big project here, 70 per cent of the benefit goes to Ontario, Quebec, Alberta or British Columbia.

They have given a great deal of lip service to the whole concept of a new relationship with aboriginal people. Here, in the Northwest Territories, it seems to me that we are so far ahead of other jurisdictions that, by helping in these areas, helping provide that kind of economic fiscal and political stability, where Nunavut can happen, where we can work out some of the treaty issues and self-government issues, in a way, that will look good on the federal government. The

problem with each Minister looking at it through the prism of their ministry, they miss the big picture. I think what we have to offer as the Northwest Territories is a big picture win for Canada. To me, to frame it up that way is when I am talking about a package deal. There will be all the trade-offs within the package deal, but it won't fly unless the political underpinnings of the package deal fit with the objectives of the federal government. I am pretty convinced that you may win things like the \$5 million for infrastructure because they are easy ones. They will say, "All right. We will give you \$5 million. We have already given the Northwest Territories their bit." I am convinced that one single problem approach will seldom lead to success. We get nickel and dimed every time we turn around.

Page 326

Somewhere down the line, either we have some economic fiscal political stability going into 1999 or things could start falling apart here, as the Finance Minister knows, politically and otherwise. If it falls apart politically, then it falls apart economically. If it falls apart economically, then it falls apart physically. Ultimately, the federal government has to pick up all the pieces. The relatively small amount of money to them that they are harassing our government about in the long term will be absolutely nothing compared to the problem we are going to inherit if this land experiment called the Northwest Territories doesn't work. That is the message that has to get across at the Prime Minister and the Finance Minister's level. At the departmental level now, they've got too many other people chasing after their piece of the departmental pie. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Ballantyne. On the piecemeal approach, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, obviously Mr. Ballantyne's right but I would be less than candid with this House if I said that at the present time Ottawa's buying that. They're not buying it because they are living from year to year. I notice that the Standing Committee on Finance suggested a ten year deal on formula financing. My initial scouting down there revealed that they're not really interested. You'll notice in the Finance Minister's budget yesterday, he didn't go very far in making projections down the road. I know that's what we have to sell and I know we have to sell that dream,

as well as future development in the NWT, both politically, economically, and constitutionally, and we have to sell that eventually we're going to be weaned from the federal government.

But, the fact of the matter is, it's not selling quite well right now. You have no idea how consumed they are with issues in Quebec. Quebec got attention right now when they wanted to lower the prices on tobacco. I mean, right now. It just consumed those people. They spent hours and hours discussing it. We are doing and selling the cases as well as we can, but when we talk about increasing dollars and so forth, they are only talking about decreasing right now. Long-term deals are just not in the cards.

I do agree, though, and I first tried the package deal in 1992. I think it is the way to go. As I've told the Standing Committee on Finance, I do have a package together that lists out the subjects of the package. They don't necessarily list out what we might trade back and forth. That's the package that Mr. Martin has before him and once they've agreed to sit down and discuss this with us, then we'll start going back and forth across the table.

I think we want it to be at the political level. There's no point in spinning our wheels, sending our employees down there back and forth when there have to be decisions made either at Cabinet level or in a Minister's office. We want it to be at the political level so that sitting at the table are two, three or five people who can make a decision and that decision will carry. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Lewis on my list. Mr. Lewis.

MR. LEWIS:

Thank you, Mr. Chairman. Mr. Ballantyne has covered pretty well most of the area relating to the financial arrangements we have and so on. What I have to offer is only a couple of points. One of them maybe not so serious and the other one very serious. I used to work in Ottawa for a short time and bureaucrats have made their reputations by inventing a word. It's not a new word, but they come up with a word and this word becomes part of the jargon of the public service and gets currency right across the country. Words become famous because they come up with words like perversity.

Everybody uses it then, "the perversity factor." For years I used to laugh when people talked about reprofiling, "reprofile the money." I asked, what do you mean, "reprofile the money?" It's the same looking money. A profile to me means an outline. It looks the same to me. They use reprofile to mean they take it from one place and put it somewhere else. That's all they mean. All perversity means is we're digging in our heels, that's all. So, they call us perverse. Because we're digging in our heels and we don't go along and do the same things the provinces are doing in terms of taxation, we are in fact guilty of violating the perversity factor.

My suggestion to the Minister is maybe he should get his bureaucrats to work on a few of our own words we would like to use. Use a bit of time on a Friday to give you some words to use to battle these people in Ottawa. Perversity is something you have to battle with, so they should give you a better word so you can go and use your own jargon. Maybe that word will eventually catch on and everybody will be using it across the country. That's half serious, but it's true. This is what happens. People feel so proud of a word and have ownership of it and they won't get away from it. It's the only thing that matters and it's all they throw back at you. Get them onto something else.

The other point I want to make, and it's been hinted at but not made as clear as it could be, maybe. Mr. Allooloo was looking for support for this at OMC this morning. It's not a Yellowknife issue. It's an issue he raised in relation to a contract in the eastern Arctic. It seems to be a little bit remote from what we're discussing, but I'll try to make the point as briefly as I can.

There was an agreement with the Inuit under their claim that with any major business that was going to be conducted in the eastern Arctic involving the federal government's contracting for work, there would be a process to make sure that the Inuit could become involved and take advantage of economic opportunities. I have said for at least 15 years that the eastern Arctic is within the orbit of Quebec. Anything that goes on in the eastern Arctic, the people in Quebec see as part of their wider empire.

That goes back all the way to the 1970s when they used to have a map showing Quebec going all the way up, including Baffin Island and everything up to the North Pole. That was going to be Quebec. This is the early years of the constitutional talks. Anything that goes on over there is seen as being within the economic orbit of the province of Quebec, and that's

going to be the biggest challenge for Nunavut. One of the biggest challenges will be to make sure that with whatever goes in in the eastern Arctic, there will be some economic advantage to the people who live there.

Page 327

As Mr. Pollard briefly mentioned, the federal government will do everything it can to placate the people of Quebec for historical reasons. The people in the east will always lose out. My question to the Minister is this, what are the tax implications when you know that all these major projects that are going to come up in the eastern Arctic involving federal contracts are going to go to Quebec companies and you're going to have people coming in from the south to do the work? What kind of power do we have -- and I know we don't have any legal power -- to make sure that activity that takes places in the eastern Arctic will accrue taxes to the benefit of the people of the Northwest Territories through our government?

That's the major issue we'll be facing in the west and in the east, in my opinion anyway, where it is a far bigger problem. The east will go its own way but will be seen to be very much within the federal government and the orbit of the province of Quebec. We've got several years yet, another five or six years, when we are going to have to face up to this program.

I mentioned the Avati attempt to get a contract to do the clean-up on the bases in the eastern Arctic because these old DEW Line sites have been a subject of discussion in this House for years now. We are the ones who brought them to the attention of the federal government with regard to doing something about it. It's been an issue for us. Now, it is an economic opportunity and nothing happens. We don't get anything out of it.

Is there any way at all in which we could look at making sure that the people that work there can benefit? We must be able to come up with some system of registering workers or something so we can make sure that we do something more than just a payroll tax to get some money out of them. The payroll tax doesn't do that much. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Lewis. On the influence of this government, Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, on the word "perversity" I think we invented it, but I am not totally sure about that. I will check and report back to Mr. Lewis on that. We invented perversity, the feds don't like it. Our people do the same thing, inventing words.

With regard to what we can do, Mr. Chairman, I know it is a bad thing to say in this House, but that is the reason for the payroll tax. I have some statistics here with regard to the payroll tax. There are already 13 companies from Quebec who report annually, three who report semi-annually, one who reports quarterly, three who report monthly and 13 who report seasonally. So there are already 33 Quebec companies registered with us in the Northwest Territories.

On a total payroll basis, there are already \$14.356 million. So, you are right. I could give you some other comparisons. Yukon is \$11 million. The USA is \$7.5 million. Alberta is \$92 million. British Columbia is \$49 million and Manitoba is \$16 million. Already there are 33 companies from Quebec that are working in the Northwest Territories. We know, those of us who live in the western Arctic, Mr. Chairman, that they are not working here. So you have to say that they are working in Nunavut. Mr. Todd and I had an experience with a Quebec business person whom we had somehow offended by not giving his company a contract and, believe me, Mr. Todd and I found out that they do business very differently in Quebec. We were in the Cabinet room discussing this and we were both surprised at the way that person acted. So not only do we have the numbers, the economic mass and expertise, we also have tens of years of experience in bidding jobs, lobbying and being in Ottawa getting after the federal government.

For mining, I suppose we could tax on commodity. But when you are talking about the clean-up of a particular site, which is mostly labour, that is very difficult to do other than by a payroll tax or by some tax on companies. That would affect Northwest Territories companies as well.

With regard to the clean up, I think it was at a DEW Line site that we are discussing, I used to be the Minister responsible for the closure of the DEW Line. Mr. Todd now has that responsibility. I do recall being at numerous meetings and the Premier was there as well, where we were told by the federal government they would do as much business in the Northwest Territories as possible. So I am also surprised that this particular contract has gone that way. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Any further comments on revenue? Return to page 04-7, program summary, operations and maintenance, total O and M, \$7.412 million.

SOME HON, MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Does this conclude the Department of Finance?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

We have agreement. On behalf of the committee, I would like to thank you, Mr. Minister, and your witnesses for appearing before the committee.

Department Of Executive

Before moving on to the next department on our list, yesterday we concluded consideration of the detail for the Department of the Executive, when we completed our reviews of the estimates for the Ministry of Intergovernmental and Aboriginal Affairs. Members know that there are now three separate program areas within the Department of Executive: Executive offices, Financial Management Board Secretariat and Intergovernmental and Aboriginal Affairs. Each program area includes a program summary page that outlines the total operations and maintenance estimates for that area.

In addition, there is a departmental summary found on page 02-7 of your 1994-95 main estimates books. Yesterday, we overlooked calling out the total operations and maintenance estimates for the department as a whole. We will do this now. Please turn to page 02-7 in your books. Okay? Let's be kind.

Department of Executive, operations and maintenance, total O

Page 328

& M, \$57.338 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

We have agreement. Thank you very much. What is the wish of the committee? Mr. Dent.

MR. DENT:

Mr. Chairman, I recommend we move into the Department of Health.

Department Of Health

CHAIRMAN (Mr. Whitford):

If the committee agrees, you will find Health in section 14 of your books, beginning on page 14-9. Minister of Health.

Introductory Remarks

HON. JOHN POLLARD:

Thank you, Mr. Chairman. Mr. Chairman, there have been a number of reports, dissertations, studies, opinions and comments on the Department of Health over the last year. I know that I have been slow in responding to reports, et cetera. I want to apologize to the House for being slow, but I did not want to come to this House and respond to any of those reports unless you had up-to-date information and I was reasonably sure that what I was reporting to you was, in fact, fact.

With regard to the report, Mr. Chairman, I must admit that I am going to be fairly lengthy in the Department of Health opening remarks, and I apologize for that, but there are things that need to be reported.

Mr. Chairman, the department has studied and acted to implement recommendations included in the reports that I had mentioned before. The responses to these reports have been provided to the respective committees, as follows:

1. The report of the Standing Committee on Public Accounts, including the NWT health human resource plan and the north of 60 special initiative, which is the report on the national health research and development program;

- 2. The report of the Standing Committee on Agencies, Boards and Commissions;
- 3. The report of the Auditor General on the Comprehensive Audit of the Department of Health.

Also, Mr. Chairman, as I have said before, there is a joint response to the report of the Special Committee on Health and Social Services being developed by the Departments of Health, Social Services, Education, Culture and Employment, and Justice is involved as well, and it will be tabled by the Premier during this session.

Board Issues

First of all, Mr. Chairman, I would like to deal with board issues because that has been a matter of some contention over the last little while. I have made reference at the last session to a proposed meeting that was going to occur in late January with the boards. That meeting did not occur until February 1 and 2.

Mr. Chairman, I met with the boards on those dates and reviewed with them many of the issues which have been raised through committee reports, and directly by boards. For the first time, Mr. Chairman, representation was included from Dogrib, and from Deh Cho communities, and agreement was reached that representatives of professional organizations, including the NWT Medical Association, the NWT Registered Nurses' Association, and the Canadian Public Health Association, would be invited to attend the next meeting, which I proposed should be held in April in Taloyoak -- the second of four meetings to be held each year. This year, there will be three more meetings of this group.

I should explain that the NWT Medical Association, the NWT Registered Nurses' Association and the Canadian Public Health Association will only be there for part of the time. We will then deal with issues that concern all of us, which is the health of people in the Northwest Territories, the delivery of health in the Northwest Territories and our common interest in pursuing good health policy in that area. The rest of the time, it would be merely myself or the deputy minister and the boards discussing issues that concern our territorial Department of Health and the board chairs. There will be four meetings from now on until we get down to ironing out many of our differences. Then, we may be able to cut it back to three meetings a year, and then two. I certainly wouldn't want to go below two though, Mr. Chairman.

I indicated, at that meeting, my intention to invite the federal Minister to the meeting, in order to acquaint her with the unique nature of our land, our population, and our health problems, and the means through which we attempt to deal with them. I say that, Mr. Chairman, because I believe that, again, with the Department of Health federally, there is a lack of understanding about the difficulties that we face here in delivering health care and just really what a good job those nursing stations and health centres do under some very trying conditions, weather conditions, being away from major hospitals, et cetera. I notice that, in provinces these days, they are looking towards the same kind of system that we have. I think it is important that we try and get the federal Minister up here so that she can be more aware of what we are trying to do.

The agenda included discussion of the following matters:

1. Planning the health system's, general approach, the operational planning process, and the capital planning process:

In 1994-95, efforts will continue toward the completion of an NWT Health Plan. This will be pursued through coordinated efforts with health and hospital board chairs, and representatives of the medical, nursing and public health professional organizations. Efforts will continue on the development of community and regional profiles to determine health needs, health service resources and use, and the options for improving service arrangements. These activities will take into account the planned consolidation of community-

Page 329

based programs, including mental health, alcohol and drugs, aged and handicapped services, in the Department of Health.

I think I mentioned, during the capital budget, Mr. Chairman, that with any new facilities we will be looking at trying to incorporate alcohol and drug centres into those new facilities so that we are getting a one-stop shopping, if you will, although there would be a division in the actual physical building.

I think I reported to the House last fall that we would also step up the call letter for capital budgeting for the boards. I think that has been done, Mr. Chairman; Out of NWT support services - specifically, we discussed the proposal to enter into an agreement with the Royal Alexandra Hospital (RAH) in Edmonton:

The initial agreement is broad in scope, permitting an extensive range of collaboration and flexibility to meet the specific needs of individual boards. Specifically, the arrangement authorizes:

- a) establishing a northern health services program within RAH, and the RAH as the prime, but not the exclusive, referral centre for the Western Arctic, and that also includes the Kitikmeot;
- b) relocating nurse coordinators now operating out of Larga boarding home to the RAH, but we would preserve a close link between RAH and Larga;
- c) developing detailed plans to:
- i. coordinate patient referrals;
- ii. provide patient services information;
- iii. provide traditional healing support;
- iv. provide consultation services in Edmonton, and in the NWT;
- v. support continuing education for health professionals in Edmonton and in the NWT through live and interactive telecommunications;
- vi. provide backup arrangements for physicians;
- vii. coordinate Edmonton based medevacs; and,
- d) identifying additional areas for future action.
- Mr. Chairman, I think we will ultimately be successful in making this arrangement and we would intend to pursue similar arrangements with the Keewatin Board and Winnipeg and the Baffin region and a hospital in either Montreal or Ottawa for services to that particular region.

I should explain that there are many people saying to me, how can you be making this arrangement with the hospital in Edmonton when Premier Klein has the health care system in an uproar down there? We are pursuing this arrangement because we have already spoken to the health people in Alberta at the deputy minister level. I have spoken to the Minister. They have told us of their plans and what they intend to do in Alberta, so we are very familiar with what they

intended to do. We went down and said, "Look, this is what we intend to do with doing business with your hospital, Royal Alexandra." They said, "Go right ahead, because that is one of the facilities that is going to be there. You will be giving them patients and a better basis upon which to work," et cetera, so it worked out for both us and the Royal Alexandra Hospital and Alberta, in general.

- 4. The memorandum of understanding, which was the subject of some questioning by Mr. Koe at the last session, and we understand that it was the subject of a two-day meeting of board chairs, CEOs and department officials on February 3 and 4:
- Mr. Chairman, the MOU project is a joint undertaking of the Department of Health and the NWT Health Care Association to review the current arrangements between NWT hospitals and health boards, and to develop a document which clearly defines the roles, responsibilities and authorities of the boards and the department, within existing directions of Cabinet and the Financial Management Board. Mr. Chairman, I should point out that boards are asking us to go further than we can at the present time simply because of the legislation that is in place in the NWT right now.

The theme of the MOU is based on the development and operation of an NWT health system through collaboration and cooperation. This working together is based on the assumption of four stakeholder groups, all operating in the public interest:

- a) Boards, whose special roles are to plan, organize and manage services at the community level;
- b) Professional groups, who participate in the management of the system in addition to providing direct services;
- c) The Department of Health which defines services,

Page 330

establishes and monitors standards;

d) The Social Policy Group, consisting of the Departments of Health, Social Services, Education, Culture and Employment, operating under a memorandum of agreement, to plan and coordinate programs and services which exceed the mandate and capability of individual departments; and,

e) Government, including Cabinet and the Legislative Assembly, which sets policy for and finances the operation of the system.

The project is guided by a steering committee consisting of the deputy minister of Health, or delegate as chair, the director, Hospital and Health Facility Operations, and three delegates named by the NWT Health Care Association, on behalf of health and hospital boards. An outside contractor, Western Health Planning Associates, was engaged to assist in the preparation of the document.

Discussions were held on the report of the consultant, and on a draft document prepared by the steering committee. The assembled materials will now be further refined, and reviewed at the Minister's next meeting with chairs and CEOs this spring.

5. Functional Review Of The Department

I had not been able to recall the name of the consultant. It has come rushing back to me that it is Coopers Lybrand, Mr. Chairman. This review of the department offers an opportunity to respond to several areas of concern noted by the Auditor General and the SCOPA in their reports, including planning, policy development and human resources development, especially the aim to increase aboriginal representation in the department at all levels. The final report of the consultant will be provided to the joint department/FMBS steering committee by the end of February.

6. Financial System

Over the past year, extensive consultation has been undertaken with boards through the health board financial systems project to deal with problems arising from the use by boards of three different financial charts of accounts and three different financial information systems. The resulting lack of consistent coding procedure has undermined the credibility of financial reporting, weakened submissions for supplementary funding, and frustrated managers at all levels.

A working group of board and department financial officers was struck to review financial systems being utilized by the various boards and to propose a plan for a common, integrated financial system that would use the same accounting methodology and chart of accounts. This working group has undertaken the standardization of the charts of accounts, accounting guidelines and financial systems, and has

unanimously recommended a financial system package. The package has been tested, and a financial system implementation plan is now under way. At the meeting, board chairs agreed to the proposed financial management system. Implementation is scheduled for completion by the fall of this year.

7. Board Appointment Process

A number of concerns have been voiced about the board appointment process. At the recent meeting with board chairs and CEOs, I invited their input into further streamlining of the process so that boards are fully involved in the selection and appointment of health care trustees.

At a meeting held with board chairs in February, it was agreed that a review of the composition of the Stanton Yellowknife Board would be jointly undertaken in the next six months. Mr. Chairman, I hope to do that review quicker than six months. I would like to aim probably for four weeks from today. Some 50 per cent of the people who are treated at Stanton Hospital are from outside of Yellowknife. What I proposed to board chairs, and I think I have their agreement on it, is that we would place upon the chair of the Kitikmeot Health Board, the Inuvik Regional Health Board, the H.H. Williams Memorial Hospital in Hay River, the hospital in Fort Smith, that there would be a representative from Deh Cho, and there is already a representative from the Dogrib Nation on there and that we would look at the issue of Lutsel K'e, which derives its hospital services from the Stanton board as well. If we can bring those people in to the board, and I think we can -- I think we have agreement from Stanton right now on that issue -then they would make up 50 per cent of the board. The remaining 50 per cent of the board would come from this area. I think, then, we would be seeing a continuation of the issues and the concerns from different boards in whatever region of the Western Arctic and Kitikmeot that you might care to mention, taken up with the hospital that is delivering service to their constituents, their patients, to the people who live in their area. I hope that will take place very quickly, Mr. Chairman.

8. Orientation Of Board Members

The department is collaborating with the NWT Health Care Association on an update of the trustee orientation manual and on the establishment and funding of an ongoing orientation and trustee development program. The NWT Health Care

Association sponsored a day long meeting of board chairs and CEOs on February 5 to discuss the intended approach.

Program Issues

1. Non-Insured Health Benefits

The Non-Insured Health Benefits Program (NIHB) applies only to Registered Indian and Inuit residents, and provides drugs, dental, vision care, medical supplies and equipment, and some travel benefits. This program is administered by the department on behalf of Health Canada under the terms and conditions of a contribution agreement.

Each service component is bound by a separate appendix to the agreement, and may be provided only under specific contracts. For example, optical services are provided under separate contracts, obtained through competitive bidding, for Baffin, Keewatin, Kitikmeot, Mackenzie and Inuvik. Only successful bidders for a regional contract have access through the program to the Yellowknife market. Others can provide the service but may not bill the program directly. This current agreement expires March 31, 1994. For those Yellowknife MLAs who have been lobbied in this regard, I realize that we

Page 331

have a problem in this area and I will move to correct that problem before we let the next contract, Mr. Chairman.

At the request of the department, Health Canada has convened a meeting with aboriginal organizations and health board representatives on March 2 to review the proposed terms for a new agreement which will take effect in April 1994.

2. Extended Health Benefits

The Extended Health Benefits (EHB) program provides assistance to eligible persons for health services beyond insured services covered by the Health Care Plan. This program is separate and distinct from the NIHB program. Benefits of the EHB program apply to Metis and non-native residents, and include drugs, dental, medical and surgical supplies, some institutional care, and travel associated with accessing benefits.

The major beneficiaries, Mr. Chairman, of the program are seniors, defined as 60 years of age and older, irrespective of medical condition or income.

Other beneficiaries are those with designated medical conditions. The list is drawn from what was originally developed by Health and Welfare Canada to represent chronic diseases, but it has been modified over time on an ad hoc basis to its present form. Currently, Mr. Chairman, it contains 41 conditions. In 1992-93 claims were made in relation to only 29 of those 41 conditions. It is apparent that all beneficiaries of the program have unusual needs. It is equally apparent that there are others without benefits who need them.

In other words, what I'm saying Mr. Chairman, is there may be things on the list that are no longer required and there are certainly things off the list that are required, so we want to look at it.

We've started a review of this EHB program, with the assistance of a contractor knowledgeable in this area, Mr. Stan Remple. The aim of the review is to develop options to place the program on a more rational basis. One major benefit to doing so would be to provide a mechanism for dealing with problems where both medical and economic needs are evident. The insured services program cannot provide complete coverage, but it can provide basic benefits, and a means for dealing with the extraordinary events that undermine the fundamental aim of the program.

3. Specialist Services

Access to specialized services is a continuing problem in the NWT, especially in smaller communities. For medical specialists, this need has increasingly been met through expansion of capabilities at Stanton Yellowknife Hospital and through arrangements with facilities in southern Canada. We expect further improvements as a result of the new arrangement with Royal Alexander Hospital in Edmonton.

Dental specialist services are more problematic, and we remain dependent on tenuous and very expensive arrangements with southern-based specialists. Further, it appears that access to service is not based on consistent criteria nor closely related to need. Orthodontic and periodontic services must become more accessible, and on less inequitable terms and conditions to all NWT residents. As such, it is our intention to develop a dental speciality services program for orthodontics, periodontics and oral surgery that will:

a) identify these major specialty treatment needs;

- b) provide a mechanism for the detection, prevention and early intervention of orthodontic and periodontic problems;
- c) coordinate the access to northern-based treatment programs;
- d) make use of the most appropriate therapies for treatment of these conditions in the NWT; and,
- e) ensure that there will be equitable access to these programs.

In relation to denturist services, we have examined the current situation elsewhere in the country and consulted with national, provincial and territorial professional organizations. Mr. Chairman, I am attempting to schedule a meeting this week with the NWT Dental Association and the denturists to pursue the matter.

4. Dental Therapy

The state of dental health in the NWT, Mr. Chairman, is poor, as evidenced by a 1990-91 study of children across Canada. Our situation is the worst in the country and may have actually grown worse amongst the very young since the last similar study done in 1988-89. We believe the findings would have been much worse without the extensive dental care provided in small communities by dental therapists. In order to reverse the deteriorating state of dental health among children in the NWT we will be more aggressive in preventing dental decay earlier in life. Mr. Chairman, we're getting those children in school now but we have to get them before they get to school. That's what we are going to attempt to do.

The first school of dental therapy was established in Fort Smith in 1972 and many of you will remember that in 1982 it was moved to Prince Albert, Saskatchewan, with the expectation that there would be increased access to young patients. This has not occurred. In the past year, Health Canada has been reviewing existing training arrangements and solicited our views on the future of the school. We have responded with a

Page 332

request that the school be returned to the NWT. We will be pursuing this possibility further this year, in collaboration with and with the full support of the Department of Education, Culture and Employment and Arctic College.

Health Promotion/Disease Prevention Issues

1. Health Status Indicators

Most of the major improvements in the health of the NWT population over the past 30 years have been achieved through better housing, better nutrition and sanitation, widespread immunization and improved care for children, infants and pregnant women. Most of these improvements have been recent and are not yet fully established. In addition, a new set of health problems has emerged, arising from the dramatic change in lifestyle of many aboriginal people. This has been well documented in a recent report on the people of Igloolik in 1971, 1981 and 1991, describing the significant change from traditional patterns of life and the accompanying loss of fitness.

Mr. Chairman, the increased use of processed foods and the reduced exercise levels carry the risks of obesity, diabetes, cardiovascular disease and cancers. The major cancer risk, however, is from smoking. More people smoke in the NWT and at an earlier age than anywhere else in Canada. Death rates from lung cancer are also higher, especially for women.

The following are highlights of the health status of NWT residents and other important health indicators drawn from the most current available statistics:

- a) A total of 30 per cent of deaths between 1984 and 1990 (62/217) were caused by injury and violence, many of which were related to alcohol abuse;
- b) Lung cancer is the most common cancer. The NWT rate for "years of life lost" is twice the Canadian rate for males and four times the rate for females;
- c) A total of 62 per cent of students aged 15 to 19 smoke cigarettes, the highest rate in Canada;
- d) Mortality among Dene and Inuit infants is more than twice the Canadian average;
- e) The twofold gap between native and non-native perinatal and infant death rates is increasing:
- f) The NWT suicide rate is consistently higher than the Canadian rate. There were 19 suicides in 1992;
- g) Tuberculosis is increasing among Inuit and Dene. The rates are comparable to third world countries;
- h) Confirmed gonorrhoea rates for ages 15 to 24 are six times the Canadian rate;

- i) Dental cavities and missing teeth rates for children are the highest in Canada; and,
- j) The average number of persons living in a house is the highest in Canada. This is an indication of the inadequate number of houses and the increased risk of infectious disease.

2. HIV/AIDS

There is a growing concern internationally about the general lack of success in promoting safe sex. Repeatedly, population surveys indicate a considerable awareness of the risk of HIV infection and how it may be prevented. But there is little evidence that people are willing to change their high risk behaviours. In the NWT a special effort is being made, in collaboration with the federal Laboratory Centre for Disease Control to learn more about sexual practice among aboriginal populations and how it might be influenced. Specific health promotion and disease prevention activities will be enhanced, focusing on oral communication and television/video approaches, rather than written material.

Tuberculosis

Tuberculosis remains a serious problem in the Northwest Territories. Compliance with drug treatment is a particular concern. Once a patient begins to feel better, there is a tendency to take prescribed anti-tuberculosis drugs intermittently or not at all. The frequent result is recurrence of the disease and the unnecessary and avoidable infection of other people and, again, I go back to the crowded housing that many of our communities face, Mr. Chairman. Mr. Chairman, in order to avoid treatment failures and new infections, it is now the practice to ensure that prescribed drugs are taken by direct observation. A general review of the tuberculosis control program is being conducted to ensure that all effective measures are in place to control the disease.

4. Tobacco-Related Illness And Death

Mr. Chairman, since the 1994-95 budget was developed, an additional demand has been created for a tobacco control strategy, as a result of the ill-considered move by the federal

Page 333

government to reduce its tobacco tax. It has been demonstrated that increasing cigarette taxes and prices discourages smoking. Data from the USA indicate that for adults, a one per cent increase in

price lowers the consumption of cigarettes by 0.42 per cent. But, for teenagers, a one per cent increase in price produces a 1.4 per cent decrease in consumption. This assessment has been confirmed by experience in Brazil and the United Kingdom.

The federal program, the announcement that was made in the House, Mr. Chairman, does include \$200 million, or thereabouts, over three years to support anti-tobacco use programs. It will be insufficient to counter reduced tobacco prices, but we will make the best possible use of it. I have advised board chairs that this funding, our share of the \$200 million, will be made directly available to them to use as they see fit. But, I will be seeking a commitment that some funds will be used to support initiatives which might serve all residents. So in other words, Mr. Chairman, I am saying that we will give you all of the money and you can spend 75 per cent of it in your regions to deal with how you feel you can counter tobacco use and point out the risks of tobacco use. But I would like you to provide 25 per cent of that and put it in a pool so that you can put together some ads or campaigns across the territories that apply to everybody.

5. Skin Cancer

Mr. Chairman, with regard to skin cancer, concerns have been expressed regarding the increased risk of NWT residents to the increased penetration by ultraviolet light as a result of depletion of the ozone layer. Specifically, the issue of availability of protective sunscreens has been raised. Recently, the issue has been complicated by information from the United States indicating the ineffectiveness, or worse, of some sun screens. In other words, Mr. Chairman, some of the products that have been on the market may not only have been ineffective, they may have been worsening the effect of the ultraviolet rays upon peoples' skin. We are reviewing the matter right now because this is recent information, and we will provide, in writing, to boards and others the current information on this subject, and we will get that around just as soon as we can, Mr. Chairman.

6. Nutrition

With regard to nutrition, Mr. Chairman, we continue to recommend and support the use of aboriginal foods in the Northwest Territories. The known benefits to Arctic communities and residents of traditional foods outweigh the known adverse consequences of contaminant intake associated with the traditional diet.

We also support the provisions of traditional foods for patients in health care facilities, whether within or outside the Northwest Territories, and are encouraged by the responsiveness of institutions to meet the nutritional needs and wishes of our aboriginal and other Northwest Territories residents.

Budget Proposal For 1994-95

- Mr. Chairman, with regard to the budget, the Department of Health's proposed O and M budget for 1994-95 is \$178.008 million. The department's proposals reflect a continuing effort to improve the health of NWT residents and to improve the access to and quality of health services while maintaining expenditures at a predictable and acceptable level. This is a realistic expectation that can be achieved:
- 1. through further judicious patriation of services from the south to permit care closer to home and, of course, we will save on the travel costs;
- 2. by monitoring the use of services to determine whether there are equally effective or better ways to provide care with fewer resources;
- 3. through negotiated arrangements with southern providers of care in the interest of better patient management and, of course, we save on their per diems in the hospitals, then;
- 4. through the establishment and application of protocols, guidelines and procedures appropriate to northern clinical practice; and,
- 5. through the management of payment methods for service which encourage good practice and provide predictability of costs over time.

During 1993-94, four major efforts have demanded priority attention by the department:

- 1. the development of a memorandum of understanding governing roles and relationships between the Department of Health and hospital boards;
- 2. conducting of a functional review of the Department of Health;
- 3. the review and revision of health legislation. I think, at the last time I counted yesterday, there were 19 or 20 pieces of legislation governing health in the Northwest Territories, and that would be, specifically, the Public Health Act and the Medical Profession Act, Mr. Chairman. These things are both now obsolete

and impediments to the further development of the NWT health care system. Legislative proposals are being prepared and will be sent to Cabinet later this year; and,

4. the decentralization of the health insurance services division to Inuvik and Rankin Inlet, involving the recruitment, training and relocation of 20 staff, the acquisition of space and equipment and the development of new systems to support multi-location operations. The Inuvik office opened November 15, 1993, and is now fully operational. The Rankin Inlet office will open, as scheduled, on February 21, 1994.

One significant task deferred from last year, as a result of these preoccupations, is the consolidation in the department of management of medical travel benefits to GNWT employees,

now within the mandate of the Financial Management Board Secretariat, and that will occur this year, Mr. Chairman.

Mr. Chairman, I know that I have taken a long time but I wanted to try and set the record straight in a number of areas.

Page 334

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

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. I don't think it was too long at all. The Standing Committee on Finance has a report which they would like to read into the record. The Chair recognizes Mr. Dent.

Committee Report 2-12(5): Review Of The 1994-95 Main Estimates

Standing Committee On Finance Comments

MR. DENT:

Thank you, Mr. Chairman. I would like to thank the Minister for his exhaustive and detailed introduction to the department. I guess it indicates that the Minister has recognized that the Standing Committee on Finance has expressed some serious concerns about the operation of the department. Without anything further, Mr. Chairman, I will get into reading our report.

Mr. Chairman, of all departments reviewed, this department is the one that gives the committee most cause for concern. Committee Members are extremely frustrated with the absence of leadership and the lack of responsiveness demonstrated by the department.

Although, on the surface, the department appears to be doing all right in a fiscal sense, committee Members are disappointed with many other aspects of the department's work. The department's management appears too clinical, too technical and lacking in sensitivity to the needs of their clients. Cultural values and traditional knowledge are often ignored. The department has not responded to recommendations of committees of the Legislative Assembly or the Auditor General. The management style of the Department of Health is characterized by reacting to crises, with no planning or policy development. The department appears, in fact, to be operating in a policy vacuum.

A specific example, brought to the attention of the committee, involves medevac policy. The Government of the Northwest Territories assumed responsibility for the delivery of health care in 1988. Medical evacuation flights are a key component of acute health care. It is, therefore, incomprehensible that the department is only now starting to create a policy and develop standards regarding medevacs.

The committee is aware that there are many people working on the front line, delivering health services, who are dedicated, committed and responsive to the needs of their clients. Members observe a growing sense of frustration among these people, as well. It is at the senior management level that drastic and immediate action is required.

Although the Minister indicated that departmental responses to previous recommendations are about to be published, they were not yet available to the committee at the time of this writing. Mr. Chairman, I should point out that there has been a document distributed to Members of the Standing Committee on Finance this afternoon which appear to respond to some of those recommendations. But, Mr. Chairman, countless recommendations have been directed at this department for years, with no satisfactory response. Many of the recommendations not yet addressed by the department are two or three years old and there is no excuse for the department's failure to respond. The Standing Committee on Finance is adamant about the need for the department to

demonstrate significant improvement in the next fiscal year.

Since the budget presented for the Department of Health contains no apparent provision for responding to committees of this legislature, the Standing Committee on Finance will not recommend approval of this department's budget until an adequate response to the following recommendation has been received:

Recommendation 20

Mr. Chairman, the committee recommends that the Department of Health develop a concrete plan for implementing the recommendations of the following groups:

- -the Auditor General of Canada;
- -the Standing Committee on Public Accounts;
- -the Special Committee on Health and Social Services;
- -the Standing Committee on Agencies, Boards and Commissions; and,
- -the Standing Committee on Finance.

The committee further recommends that the department report on how they plan to improve policy development capability within the department. Mr. Chairman, I reiterate, the committee expects the department to present its implementation plan as a prerequisite to approval of the department's 1994-95 budget.

Mr. Chairman, if I may, I would like to make the recommendation in the form of a formal motion.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. The motion is being circulated to the Members as we speak. The motion is in order. To the motion. Do all Members have it? Oh, you haven't made the motion yet. Would you like to make that into a formal motion, Mr. Dent.

MR. DENT:

Yes, Mr. Chairman, I was asking your permission to make it as a formal motion.

Committee Motion 9-12(5): To Adopt Recommendation 20

Mr. Chairman, I move that this committee recommends that the Department of Health develop a concrete plan for implementing the recommendations of the following groups:

- -the Auditor General of Canada;
- -the Standing Committee on Public Accounts;
- -the Special Committee on Health and Social Services:
- -the Standing Committee on Agencies, Boards and Commissions; and,
- -the Standing Committee on Finance.

Page 335

The committee further recommends that the department report on how they plan to improve policy development capability within the department.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. We have a motion on the floor. The motion is in order. To the motion. Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, to be very honest I can't do what this committee wants me to do. There's just no way. They're asking for the impossible. I've complied with up to date responses to all of those reports, except for the one that Madam Premier will table in this House which is the response to Mr. Dent's committee. Regarding coming up with a concrete plan for implementing the recommendations of all the groups, we're just undergoing a functional review right now.

I'm going through an MOU process with boards. I'm consulting with those boards. Those boards are going to want to have some input into what happens. If I'm going to be forced into a concrete plan for implementing all these recommendations without the ability to go back and discuss them with those boards, then I'm going to be accused of not consulting with people. You're asking me to do something in the space of this Legislative Assembly.

I can tell you how I'm going to do a better job on policy development and the capability of the department. But, I can't tell you that until after the second meeting with the boards when we discuss with the boards how policies should be developed,

and whether it should be from the top down, from the bottom up, or done in cooperation.

Mr. Chairman, I would suggest to the committee that they maybe take a look at this recommendation and let's deal with the Department of Health's budget first of all. Let's go through the detail. You can ask me the questions and I'll have my people here and my books open. At the end of the discussion, then you can see what kind of motion should be made in this regard.

But, at the present time, I don't think I can comply with this motion. If I thought I could, Mr. Chairman, I would, but I just can't do it. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. To the motion. Mr. Dent.

MR. DENT:

Mr. Chairman, before we have to pass the budget, we have probably four or five weeks. I think the committee's intention, after passing this recommendation, was that we would hope to stand down the budget of Health as a matter of fact, to allow the Minister some time to prepare his response to this recommendation and to come back to the committee and present his case on why the budget should come forward in the House before March 31.

I think the committee is willing to listen to reasonable arguments, and I think the Minister has made a good start today towards providing us some of the answers in his detailed presentation. He may have started to address the answers that we were looking for. But, I think that as things stand right now, it is difficult for the Standing Committee on Finance to agree that we should proceed to the budget and recommend to other Members of this House that it be approved.

I would suggest to the Minister that there would be a much better chance that the Standing Committee on Finance would recommend approval of the budget if he were to spend some time determining how he could respond to this recommendation, and come back to the standing committee with that response and allow us some time to interact. The problem we have, of course, is I suspect that some of the response is included in a document that was only handed out to Members of the Standing Committee on Finance this afternoon, which doesn't give us enough time to review it. So, obviously, the Standing

Committee on Finance is going to need some time to review the further information which has been, I suspect, presented to us as a result of the Minister reading this recommendation prior to its being presented in the House.

Mr. Chairman, what I'm saying is that I still feel we should proceed with this recommendation. I don't think we're saying that we have a razor blade held to the Minister's or the department's throat at this point in time. I think it's gotten to the point where this committee has been very frustrated with the response we've received from this department and we are trying to make it very clear how important we think it is that the recommendations that have been presented by our committees and other committees in this Legislature be taken seriously and responded to. We haven't seen that sort of seriousness or that acceptance of their importance in the past.

So, we thought it was time we stood up and took a stand. That is what we're doing with this recommendation. We're saying it's time for things to stop. We want to know, in some detail, just exactly where the department intends to go with these recommendations. I don't think we're saying that we won't listen to reasonable arguments, but I don't think we've had a chance to have those yet. So, Mr. Chairman, I still support the need for this motion and would hope that we could proceed with it, followed by a standing down of the department and having the department come back to the Standing Committee on Finance during this session before the end of March. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. To the motion, Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, I am telling you that I cannot comply with this motion. In what better place than right on the floor of this House is there to discuss Health? Not in a report that is delivered to the Standing Committee on Finance, but with all the Members around this room participating. That is what I am saying to this House. If you want to get it on and you want to get down on Health, let's get it on and down right here. Let's discuss it. Let's go through the numbers. You can bring me all of your bitches and complaints and I will try to answer them and tell you what we are going to do. At the end

of it, if you don't want to pass my budget, do it then. But let's do it in public, right here, right now.

CHAIRMAN (Mr. Whitford):

To the motion. Mr. Lewis.

Page 336

MR. LEWIS:

Thank you, Mr. Chairman. This is a motion of the committee of the whole. It is really a motion asking the Minister to respond to it. There are all kinds of things we do in the Assembly where you are allowed so much time to respond, 120 days for this and so many days for that. So it is part of our system where you make motions, table reports and give responses. If we want to have a full debate about the issue that Mr. Pollard is raising, it would be a debate in the formal session as to whether people should be required to come up with the solutions in the way the motion is suggesting. I think the motion says that there are many reports. It is part of our system whereby we make reports and the government does the best it can to respond to the wishes of Members. If the Minister is not able to do it, or can do it only partially, then he can do so and give his reasons. But if you want to have a full debate on the accountability of Ministers, it isn't to be done in committee of the whole.

This is all about accountability. If you want to have a debate on it, it shouldn't be in committee of the whole, it should be in formal session, if you want to talk about accountability. So why don't we just support the motion and give the Minister a chance to give his arguments in the way we normally do. Then take it from there. This has been blown out of all proportion as to what the intent is. We are not talking about whether the Minister has been accountable or not. But if he says, I cannot do this, then it will come to a debate on accountability. We shouldn't allow it to go that far. I will support the motion and let the Minister do what he can in responding to it.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Lewis. Mr. Zoe.

MR. ZOE:

Thank you, Mr. Chairman. I was going to make similar comments as my colleague, but he put it in the very perspective I wanted to indicate to the Minister. It is a recommendation indicating that he should try to

develop a concrete plan for the implementation of those recommendations made by these groups. I realize that the Minister has provided a response to those recommendations, but as my colleague indicated, the Standing Committee on Finance Members have not had an opportunity to read this inch-thick document that was provided by the Minister of Finance. My other colleagues, who aren't even on the Standing Committee on Finance, haven't had the opportunity to read the documentation that has been provided either.

I agree with the comments of my colleague who spoke before me. The Minister should take our recommendation into consideration and see what he can do with it. If he cannot, then say so. In that regard, Mr. Chairman, I am in support of this motion. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Zoe. The hour is now 6:00. Prior to rising to report to the Speaker, I wish to bring to the attention to the Minister, a word that was used in the heat of the argument. It was the word "bitches" and it may be unparliamentary. I would like to know if the Minister would consider withdrawing that descriptive word from Hansard, or changing it to something else a little more parliamentary.

---Laughter

HON. JOHN POLLARD:

Mr. Chairman, I will withdraw that word, apologize to the House and replace it with "complaints." Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Does the committee agree?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

I shall rise and report progress.

MADAM SPEAKER:

Item 19, report of committee of the whole. Mr. Whitford.

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Whitford):

Thank you, Madam Speaker. Madam Speaker, your committee has been considering Bill 1 and Committee Report 2-12(5) and would like to report progress. I move that the report of committee of the whole be concurred with.

MADAM SPEAKER:

Is there a seconder to the motion? The honourable Member for Aivilik, Mr. Arvaluk. 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

Item 20, third reading of bills. Item 21, Mr. Clerk, orders of the day.

ITEM 21: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Madam Speaker, meetings for tomorrow at 9:00 am of the Standing Committee on Legislation and at 10:30 of the Ordinary Members' Caucus and at 12:00 pm of the Reshaping Northern Government Working Group. Orders of the day for Thursday, February 24, 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. Petitions

- 10. Reports of Standing and Special Committees
- 11. Reports of Committees on the Review of Bills

Page 337

- 12. Tabling of Documents
- 13. Notices of Motion
- 14. Notices of Motions for First Reading of Bills
- 15. Motions
- Motion 13-12(5), Appointment of Member to the Advisory Committee on Social Housing
- 16. First Reading of Bills
- 17. Second Reading of Bills
- 18. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 1, Appropriation Act, No. 2, 1994-95
- Committee Report 2-12(5), Review of the 1994-95 Main Estimates
- 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
- 19. Report of Committee of the Whole
- 20. Third Reading of Bills
- 21. Orders of the Day

MADAM SPEAKER:

Thank you. This House stands adjourned until Thursday, February 24 at 1:30 pm.

---ADJOURNMENT