



**NORTHWEST TERRITORIES  
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**HANSARD**

**WEDNESDAY, MARCH 1, 1995**

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**Speaker: The Hon. Samuel Gargan**

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**MEMBERS PRESENT**

Mr. Alloo, Mr. Antoine, Hon. Silas Arngna'naaq, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Hon. Samuel Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Mrs. Marie-Jewell, Ms. Mike, Hon. Don Morin, Hon. Richard Nerysoo, Hon. Kelvin Ng, Mr. Ningark, Mr. Patterson, Hon. John Pollard, Mr. Pudlat, Mr. Pudluk, Hon. John Todd, Mr. Whitford, Mr. Zoe

**ITEM 1: PRAYER**

---Prayer

**SPEAKER (Hon. Samuel Gargan):**

Good afternoon. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Pudlat.

**ITEM 3: MEMBERS' STATEMENTS**

Member's Statement On New Rent Scale

**MR. PUDLAT:**

(Translation) Thank you, Mr. Speaker. My statement will be fairly lengthy. Mr. Speaker, I wish to talk about the increase in rents. My constituents have an ongoing concern regarding the new rent scale. It has been discussed by many and people are interested in finding out exactly what the reasons are for implementing the increases. Many people are interested in finding out this information prior to April 1st.

Housing is a necessity in our communities. Perhaps the new rent scale might not be as great an issue to those who are outside of the communities, but people who live in the north and who are experiencing these increases need to express their concerns. Mr. Speaker, people have to be employed in these households but the fact is, very few people are actually employed. This will cause great stress for people who are the only income providers. The people who are employed will have to carry a bigger burden.

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

**MR. SPEAKER:**

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

**MR. PUDLAT:**

(Translation) Thank you, Mr. Speaker and honourable Members. Because of the things that are happening, people both unemployed and employed, are bound to face more hardship, especially those who are working. Now, Mr. Speaker, we have a growing number of students who are leaving their communities to attend school. We have people entering the workforce. We understand there will be a 30 per cent increase and this is phase I. While this is being discussed, we're also aware across Canada that people are interested in home ownership and it is very difficult to buy your own property.

The rent increases are set to begin April 1st, with a rent increase to 30 per cent. In the following year, this will be increased to 60 per cent and in the third year, it will change to 90 per cent. Mr. Speaker, my last comment is that it will eventually become 100 per cent. With these things happening, people are thinking about the deadline of April 1st. Is there no other solution you can come up with before implementing this on that date? This is a concern for our constituents and we also heard on the news that there was some discussion on TVNC about it. People talked about how many people will have to start looking into buying or moving into other units as long as they have a steady income.

Elders will be paying \$2.00 a month for their rent. While that might be the case, people in the workforce still have to deal with the paperwork and deal with a 30 per cent increase on top of everyday utilities such as telephones and oil. This will take a big chip out of people's incomes. On behalf of my constituents, I want to express the need to look for other solutions before you implement the rental increase as of April 1st.

Mr. Speaker, we are not simply against this idea. It is not that we just want to stop the implementation. We need more time to be able to look at other possible options. For those of us who have a good income and who can obtain our own housing, it is not too much of a problem but there are many people who are actually considering quitting their employment to remain in their own housing, to avoid the higher costs. I speak on behalf of the people who rent these units from the housing association. Be reminded that we do not just plan to put an end to this, we want to have

some time to look at other options. Mr. Speaker, please give us more time for the people who are renting to see if we cannot look at other options. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you, Mr. Pudlat. Item 3, Members' statements. Mr. Lewis.

Member's Statement On Excessive Regulation Of The Mining Industry

**MR. LEWIS:**

Thank you, Mr. Speaker. Today, March 1st, is the national day for the country that I came from many, many years ago, so I always celebrate it. Today I would like to read into the record, Mr. Speaker, a letter from a fellow Welshman who has been involved with mineral exploration and mining in the Northwest Territories for close to 30 years. He is the president of Aber Resources, his name is Grenville Thomas; this is what he says in his recent letter to Mr. Lovell, the mayor of Yellowknife: "Thank you very much for your call this morning in regard to Aber's closure of its Yellowknife office. I can assure you that it has nothing to do with any concern we have with the city of Yellowknife or the services supplied.

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"I am enclosing a letter I wrote to Nellie Cournoyea a year ago expressing my concerns with over-regulation. This is a big problem in the Northwest Territories and in Canada as a whole. However, in addition to this you have devolution, division, land claims, native self-government, environmentalist and all manner of self-interest groups to cope with, in an Alice in Wonderland scenario. Great for Alice, but not for the mining companies striving to discover and develop northern deposits.

"The amount of hot air generated and the paper required to record it all is staggering for a population of 60,000 people. To paraphrase Winston Churchill, never has so much paper been generated by so many for so few. For example, Aber is currently prevented from working on Victoria Island land because of a dispute over jurisdiction between the federal government and the Inuvialuit. Bear in mind that Inuvialuit settlement was made in 1987. The north desperately needs someone to pull this desperate group together by emphasizing their common interest as northerners, not their differences."

The letter is signed by Mr. Thomas and at the bottom he has a PS that says "I'm going to Argentina in late February; just to look around you understand." Because things are obviously not going very well for his company even though they are still active in the Northwest Territories.

People are attracted to overseas, Mr. Speaker, because of greater security of tenure, reduced taxes and royalties, tax periods, greater possibility of owning things and also access to high-level mineral resources. Thank you very much, Mr. Speaker, my time is now up.

**MR. SPEAKER:**

Thank you. Item 3, Members' statements. Mr. Whitford.

Member's Statement On Funding Cuts To CBC

**MR. WHITFORD:**

Thank you, Mr. Speaker. Mr. Speaker, the resignation of Tony Manera, the president of CBC, is a very upsetting sign. In my opinion, red flags should go up and sound an alarm about the future of Canada's national broadcasting system. Mr. Speaker, most northerners I know grew up with the CBC, when CBC was the only medium in the Northwest Territories, before the era of private radio stations. I recall as a boy putting together a crystal set and tuning into the CBC either from Winnipeg or from Sackville, New Brunswick; you could always get the best reception after dark. At that time, the CBC provided the only link to the south during the long winter months. Along with the news, they broadcast special features, sports stories, drama and a broad spectrum of music; especially Canadian musicians, Don Messer being one of them.

Northerners will recall that up until the early 1960s, the CBC provided the northern messenger service, a program dedicated to providing messages to people in the most remote and isolated communities of the high Arctic and on to the trap lines of the northern provinces and here to the Northwest Territories.

In recent times we can still enjoy, in nearly every community, a television receiver and the CBC on either am or fm frequencies. We produce our own radio programs in Iqaluit, Inuvik and Yellowknife as well as television in Iqaluit and Yellowknife. It has kept people in Tuktoyaktuk informed about what is

happening in Iqaluit and help southerners understand our northern points of view.

Many aboriginal people have received quality training from the CBC and are now producers, technicians and broadcasters. Any cuts to the CBC funding will adversely affect them and a large part of our heritage as well. If these cuts take place and we lose any more of the current broadcasting or if we lose it all, I believe our lives will be much poorer for it.

The federal budget cuts to the CBC reflect a false cost-saving measure. It is true we will save a few bucks in the short term, but in the long run we will lose more valuable things. We will lose a large part of our heritage and of our culture.

At one time the railroad linked the country from coast to coast, but our national broadcaster has always linked Canada from coast to coast to coast. Thank you.

**MR. SPEAKER:**

Thank you, Mr. Whitford. Item 3, Members' statements. Mr. Zoe.

Member's Statement On Clarification On Statement Re Ultimate Removal Package

**MR. ZOE:**

Thank you, Mr. Speaker. Mr. Speaker, I want to add some clarification to a statement that I made in this House on Monday, February 20th. The statement I made concerned an ultimate removal package in the collective agreement our government has with the public service. Mr. Speaker, as more and more of the aboriginal population becomes better educated and skilled, there will be more opportunities to work with the territorial public service. This government should be doing everything in its power to promote this. This includes, Mr. Speaker, providing certain financial incentives to northerners such as the ultimate removal package.

Mr. Speaker, I don't think I was as clear as I could have been on this point in my February 20th statement. I support the government's proposed change to this entitlement, making it available after only 10 years of service. However, Mr. Speaker, this change should only be targeted at those public service employees who were hired from the south and are returning there.

Mr. Speaker, let me be very clear on this point, this should not affect northerners hired in the north and remain in the north after they retire or leave the public service. This entitlement should remain as is for northerners after serving four years of service. Mr. Speaker, the ultimate removal provision should only change as proposed for southern hires. Mahsi.

---Applause

**MR. SPEAKER:**

Thank you, Mr. Zoe. Item 3, Members' statement. Mr. Patterson.

Member's Statement On Increase To Gasoline Tax

**MR. PATTERSON:**

Mr. Speaker, the gasoline tax was increased by the recent federal government, at least the federal portion on the gasoline tax, by 1.5 cents a litre. With the addition of the GST, this should have raised the price of gas by 1.61 cents a litre.

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Mr. Speaker, I object to the federal tax increase apparently being used as an excuse to extract an additional 1.19 cents from my constituents who are solely dependent on this retailer. I object to being told that the new price of 77 cents a litre is based on the increased federal tax plus GST when it is quite apparently a federal tax increase, plus GST, plus a price increase. The product is delivered and purchased on an annual basis. The dealer has a monopoly and a lot of people in my community depend on that gasoline, including people who live on the land.

I'm going to explore what remedies might be available to deal with this situation and I'm glad for the chance to report to this House on this problem. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:**

Thank you, Mr. Patterson. Item 3, Members' statements. Mr. Koe.

Member's Statement On Impact Of The Federal Budget On NWT

**MR. KOE:**

Mahsi, Mr. Speaker. Mr. Speaker, I have received and reviewed the information about the recent federal budget. I'm especially concerned about the financial impact on the average citizen in the Northwest Territories. From the information and analysis that I have seen, the major impact will be on the middle-class citizen, those who own vehicles, travel by air and live around Great Slave Lake.

The most notable impact -- and my colleague from Iqaluit mentioned it already -- will be on the pocketbooks of most residents who drive or purchase gasoline and that's because of the increase in gas prices. The federal excise tax on gasoline was increased by 1.5 cents per litre. Add to this the Government of the Northwest Territories gasoline tax of 17 per cent for another 0.255 cents a litre and, on top of that, GST of seven per cent for 0.123 cents a litre, and we have an increase of approximately 1.9 cents per litre of gasoline.

The price of aviation gasoline will also increase similarly. This means that probably all transportation company rates -- the trucking industry, airline industry, and taxi industry -- will increase to cover these fuel increases. The customer pays. The air transportation tax will also be increased by 10 per cent as of March 31, 1995. The maximum tax rate now imposed on all air travel will increase from \$50 to \$55 per ticket. This increase will impact northerners much more than other Canadians because of our heavy reliance on air travel. In many of our communities, people have no choice but to travel by air. This is another direct hit on the customer's pocketbook.

The other tax, called the public utilities income tax transfer, will be eliminated effective April 1, 1995.

Mr. Speaker, I seek unanimous consent to continue my statement.

**MR. SPEAKER:**

The Member for Inuvik is seeking unanimous consent. Are there any nays? There are no nays. Please proceed, Mr. Koe.

**MR. KOE:**

Mahsi. This will impact over 8,000 customers living mainly around the Great Slave Lake area. The tax will mean that each customer will have to pay an average of about \$2 per month on their electricity bill, or about \$24 per year. This increase is on top of the

charges already imposed to cover the low-water surcharge and the upcoming general rate increase proposed by the Northwest Territories Power Corporation.

Mr. Speaker, my concern is that, at first glance, these don't seem like large increases. But add them up, and the accumulated impact is large. The majority of these revenues from the tax increases will go directly to the federal government to help pay off the deficit. So, even though it may seem like the federal budget was relatively harmless to the average northerner, the federal government continually picks away at our incomes by increasing taxes on goods and services and on industry which we, in the Northwest Territories, consider essential for our survival: gasoline, air travel and electricity. Mahsi.

---Applause

**MR. SPEAKER:**

Thank you. Item 3, Members' statements. Mr. Antoine.

Member's Statement On Consultation Re Implications Of Federal Budget

**MR. ANTOINE:**

Mahsi, Mr. Speaker. Like many Canadians, I listened carefully on Monday when the Honourable Paul Martin delivered his Budget Address in the House of Commons. For a long time, many people have been calling on the federal government to reduce the amount of money it is spending. Our national deficit has grown to the point where there is a risk that international financial institutions may stop investing in this country. This has weakened the federal government and Canada's financial status in the world.

With Mr. Martin's budget, Ottawa has cut spending drastically and will be privatizing many services like the railroads and Petro Canada, in an attempt to reduce the federal deficit. Some of these actions may be quite positive, but the federal budget has also raised many questions about how these spending cuts will affect the people of the Northwest Territories. It will be important for the Government of the Northwest Territories to make decisions about how to respond and it will be important to ensure that all northerners have input in those decisions.

Mr. Speaker, the budget announcement made in Ottawa on Monday carried significant implications for

the Northwest Territories. The earliest projections suggest that we may lose about \$58 million from next year's transfer payments and some federal positions will be lost, with the possible downgrading in

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government services and implications for community economies. The cost of transportation, already the highest in Canada, will be increased even more by new taxes on certain petroleum products, airport fees and possibly, eventual user fees for airports. Reductions in Canada assistance program funding and the so-called social transfer will undoubtedly impact on the most needy members of our society.

Mr. Speaker, these changes are here. I agree with our Minister of Finance, the Honourable John Pollard, that there is little to be gained in moaning about the tougher, tighter times that face our governments. However, it will be important that the Government of the Northwest Territories carefully plan out the specific measures we need to take in the face of this new budget. We must evaluate the impact of the federal downsizing and project reductions in the funding we receive from Ottawa. We will need to explore new and innovative approaches to delivering government programs and services and to identify areas where our own administrations can be made leaner and more productive.

Mr. Speaker, I seek unanimous consent to conclude my statement.

**MR. SPEAKER:**

The Member for Nahendeh is seeking unanimous consent. Are there any nays? There are no nays. Please proceed, Mr. Antoine.

**MR. ANTOINE:**

Mahsi, Mr. Speaker. Mr. Speaker, these decisions should not be made solely in government offices and boardrooms. I applaud the Minister's commitment to meeting with the Standing Committee on Finance for discussions on implications created by Mr. Martin's budget. I trust he will listen carefully to the views expressed not only by the committee but also by all honourable Members of this House. However, I will call on him to go even further and establish a consultation strategy that will allow community leaders, chiefs, mayors, aboriginal organizations, business people, chambers of commerce, social

agencies and others in the community to become involved in our fiscal planning.

Mr. Speaker, it has been pointed out that the budgetary measures announced yesterday will reflect a fundamental change in the way federal and provincial governments operate in Canada. We have one year to prepare ourselves for this transformation in government relationships. In setting the Northwest Territories course for responding to this fundamental change, I believe it is essential to hear directly from the people who are affected and I will be urging our Minister of Finance to establish a broad and effective consultation process in this regard. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:**

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. Ms. Cournoyea.

ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question 174-12(7): Coverage Of Chiropractic Services Under Health Plan

**HON. NELLIE COURNOYEA:**

Mr. Speaker, I have a return to an oral question asked by Mrs. Marie-Jewell on February 27th regarding the coverage of chiropractic services under the health plan.

Mr. Speaker, chiropractic services are not considered a benefit under the non-insured health benefits program provided to registered Indian and Inuit clients.

However, Health Canada, the federal department which funds the program, does make exceptions on a case-by-case basis. The patient must be referred to a chiropractor by a physician. Health Canada reviews the chiropractor's treatment plan, the duration of treatment and the associated costs before they make a decision. Thank you.

**MR. SPEAKER:**

Thank you. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Whitford.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

**MR. WHITFORD:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to introduce Jerry Sherman. Jerry Sherman is from the Christian Embassy of Canada and visits our Legislative Assembly, at least a representative does, annually to assist Members if they need it. Mr. Sherman.

---Applause

**MR. SPEAKER:**

Item 5, recognition of visitors in the gallery. Mr. Patterson.

**MR. PATTERSON:**

Thank you, Mr. Speaker. Mr. Speaker, since he sits directly in front of me every day and looks intently at me every day and reminds me of all the workers in my constituency, I would like to recognize Mr. Ben MacDonald of the Union of Northern Workers.

---Applause

**MR. SPEAKER:**

Item 5, recognition of visitors in the gallery. Mr. Ballantyne.

**MR. BALLANTYNE:**

Thank you, Mr. Speaker. Mr. Speaker, we have here today visiting us from the Kaw Tay Whee School in Dettah, Bob Chaiko and the grades five and six students.

---Applause

**MR. SPEAKER:**

Thank you. Welcome to the Assembly. Item 5, recognition of visitors in the gallery. Mr. Pudlat.

**MR. PUDLAT:**

(Translation) Thank you, Mr. Speaker. I would like to recognize one of the former students in Lake Harbour who is now one of the interpreters, Ooleepika Ikkidluak.

---Applause

**MR. SPEAKER:**

Item 5, recognition of visitors in the gallery. Item 6, oral questions. Mr. Koe.

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**ITEM 6: ORAL QUESTIONS**

Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**MR. KOE:**

Mahsi, Mr. Speaker. I have a question for the Minister of the Workers' Compensation Board. I had a call from a person in Inuvik who is very concerned about the rates that a certain industry pays for workers' compensation. The rate is for taxi drivers and dispatchers. The rate is \$4.40 per \$100 of payroll for dispatchers. This is a straightforward calculation based on salary. For taxi drivers it's different because we know taxi drivers don't usually work on a salary basis. The Workers' Compensation Board treats them as self-employed and they choose to apply for personal operational coverage which is now approximately \$2,000 a year, as compared to \$365 before.

The concern of this individual was only on the dispatchers who pay a high rate. She said what is going to happen to a dispatcher? He or she can bang their elbow on a table or hit the phone or fall off their dispatch chairs, but they pay the same rate as drivers. So my question to the Minister is why do administrative staff in the taxi industry pay the same rate as drivers?

**MR. SPEAKER:**

Minister of Workers' Compensation Board, Mr. Todd.

Return To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**HON. JOHN TODD:**

Thank you, Mr. Speaker. The board of directors of the WCB decided that effective January 1, 1995, taxi companies would be assessed \$4.40 per \$100 for all hourly or commissioned staff. That includes the operators of the taxis and operators of the telephones. That was the decision made by the board of directors at that time.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**MR. KOE:**

I have that information, but my question is why because the risks are quite different. The risk of sitting in an office answering telephones and directing traffic is quite different than a driver in a cab doing the legwork, generating revenues for both governments through their fuel usage. Why are the administrative staff paying the same rates as drivers? Shouldn't there be some leeway or some reductions in the rates that they're charged?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Of course, the responsibility for rate assessment lies with the board of directors, so I would have to check with the board of directors for the reason they've put the operators in the same category as those who drive taxi. Thank you.

**MR. SPEAKER:**

Mr. Koe, Supplementary.

Supplementary To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**MR. KOE:**

Is the Minister making a commitment to review this and get back to us, or is he just going to do it on his own? I would like to know what course of action the Minister is going to take on reviewing this issue.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**HON. JOHN TODD:**

(Microphone turned off)...responsibility for assessing the rates is determined by the board of directors of the WCB. I will check with the board of directors as to the reasoning behind this decision to include all taxi

operations under the one rate and report back to the honourable Member. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**MR. KOE:**

Mahsi. As I mentioned, the personal optional coverage for taxi drivers who are considered self-employed is now being increased to \$2,000 a year from \$365 a year. Would the Minister also ask the people who set the rates why the phenomenal increase to this rate?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 194-12(7): WCB Rates For Taxi Drivers And Staff

**HON. JOHN TODD:**

Thank you, Mr. Speaker. That's an easy one to answer. The taxi industry revenue between 1990 and 1993 was \$69,184. The claims paid out during that period was \$435,954. That's how, from my experience, that WCB determines rates. It's based upon the expenses and expenditures that have occurred and the ability to recover. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Ballantyne.

Question 195-12(7): Possible O & M Cuts To NWTHC

**MR. BALLANTYNE:**

Thank you, Mr. Speaker. I have a question for the Minister responsible for the Housing Corporation. Mr. Speaker, in the federal budget that came down on Monday, there was some mention of possible reductions to the Canada Mortgage and Housing Corporation. As we know, the last time we had mention in a budget about cuts to the Canada Mortgage and Housing Corporation, before we knew it we had lost over \$40 million. Is there any danger that the federal government will now look at the operations



and maintenance side of the Housing Corporation and try to cut that part of the operation?

**MR. SPEAKER:**

Minister of Housing, Mr. Morin.

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Return To Question 195-12(7): Possible O & M Cuts To NWT HC

**HON. DON MORIN:**

Thank you, Mr. Speaker. The information I have received from CMHC so far is that they are closing approximately 24 regional CMHC offices. They are not going to close the office in the Northwest Territories. The offices that are closed will have a residential CMHC official to handle all concerns that are directed to CMHC and those officials will be working out of their homes, I believe. There is also mention that there will be a \$270 million cut throughout Canada for CMHC, and that cut will be from potential savings that CMHC as well as ourselves and every jurisdiction were able to save through refinancing of mortgages. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 195-12(7): Possible O & M Cuts To NWT HC

**MR. BALLANTYNE:**

Thank you, Mr. Speaker. As the Minister well knows, we are very dependent on the O and M federal component to pay for the maintenance of approximately 5,000 housing units or whatever we have here in the territories. Does the Minister feel that the O and M funding from the federal government is in any jeopardy?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 195-12(7): Possible O & M Cuts To NWT HC

**HON. DON MORIN:**

Thank you, Mr. Speaker. You never know what the federal government means when they say something

because the last time they said they were going to cap the growth on social housing programs, and when they said they were going to cap the growth it turned out to be a 100 per cent cut in new construction of social housing. So we are still trying to decipher what they mean. The minute I have a better idea of what they actually mean by a \$270 million cut from the savings, I will let the Members of the Assembly know. Thank you.

**MR. SPEAKER:**

Item 6, oral questions. Supplementary, Mr. Ballantyne.

Supplementary To Question 195-12(7): Possible O & M Cuts To NWT HC

**MR. BALLANTYNE:**

Thank you. On a couple of other occasions I brought up this concept to the Minister. I think we all recognize that there is a potential threat to the O and M cutting; it's a fatted calf just waiting there for somebody to start to strip the meat off. Would the Minister consider making a proposal to the federal government to look at turning over the existing funding the federal government has for O and M for housing before they start to cut it? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 195-12(7): Possible O & M Cuts To NWT HC

**HON. DON MORIN:**

Thank you, Mr. Speaker. If that is the way to go and if that is the way we can ensure that we can guarantee the funding for the future, we will take a serious look at it. But we also have legal and binding agreements with CMHC on long-term mortgages on our rental units. As far as I understand it, we are locked into them and they are legal agreements that they cannot be cut. I will look at it and see if it's viable to do anything else. Thank you.

**MR. SPEAKER:**

Item 6, oral questions. Mrs. Marie-Jewell.

Question 196-12(7): Development Of Day Care Subsidy Policy

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. I have a question for the Minister Education, Culture and Employment. Can the Minister advise this House whether or not a day care subsidy policy has been developed? Thank you.

**MR. SPEAKER:**

Minister of Education, Culture and Employment, Mr. Nerysoo.

Return To Question 196-12(7): Development Of Day Care Subsidy Policy

**HON. RICHARD NERYSOO:**

Thank you. If I might, I can indicate to the honourable Member that we have had changes to the child care programs that have existed in the Northwest Territories and redefined them since September.

**MR. SPEAKER:**

Item 6, oral questions. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 196-12(7): Development Of Day Care Subsidy Policy

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. Just to follow up, can the Minister indicate to me whether or not a policy has been developed and completed? Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 196-12(7): Development Of Day Care Subsidy Policy

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. Yes, and in fact, Mr. Speaker, I believe we sent copies of the policies to all Members to inform them of the changes that have been made to the policy so that Members will be aware. We have also sent them to the communities.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 196-12(7): Development Of Day Care Subsidy Policy

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. That's what I thought; I just wanted to make sure. I want to ask the Minister what the criteria is that is used by his department to

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determine subsidies for child care for individuals who require them, particularly students. Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 196-12(7): Development Of Day Care Subsidy Policy

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. Just so Members are aware, the child care user subsidy program now includes a new, more equitable subsidy for parents based on the needs test. Part-time child care is now available, including after school care. As well, assistance is available for parents who are not employed or are studying but whose children are at risk and would benefit from a program of early intervention.

The other component is the child care start-up support and the contributions to assist the start-up cost of licensed, non-profit child care programs have been enhanced. We are providing additional assistance to promote more openings for infants and children requiring additional support. This contribution is now available to assist the start-up of part-time and after-school programs. The support is available for minor health and safety renovations. There is also the issue of program support, training and wage incentives for caregivers. The other issue we are now working on is the approach to early interventions as a part of the overall child care program.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Final supplementary, Mrs. Marie-Jewell.

Supplementary To Question 196-12(7): Development Of Day Care Subsidy Policy

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. For the past while I have been getting calls from many of the students who are unable to access the child care subsidy program. The Minister indicated there is a means test with respect to this. Can he indicate to this House what criteria they use on implementing the needs test that they have developed? Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 196-12(7): Development Of Day Care Subsidy Policy

**HON. RICHARD NERYSOO:**

Mr. Speaker, I don't have the details of that, so I will report back to the honourable Member. It depends on the amount of money. In the case of Arctic College students, there are some students who are paying rents of \$210 who receive the full amount of support for their education, and then there are some situations where there are students who are paying \$900 rent, and it depends on those kinds of circumstances. So, I will report back the details. The problem is that without specific information it is very hard to determine, but I will advise the honourable Member and Members of the House more appropriately and probably in a written statement on that matter.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Antoine.

Question 197-12(7): Public Consultation Re Federal Budget

**MR. ANTOINE:**

Mahsi, Mr. Speaker. I have a question for the Minister of Finance. Without a doubt, the new federal budget will require him to examine ways of living within our means when projected cuts to federal financing are realized next year. This may include downsizing many of our own government departments. At the same time, cuts to federal programs may mean that some of the government services that are important to northerners, possibly in terms of environmental protection, transportation and social programs, will be substantially unavailable. There may be pressures on the Government of the Northwest Territories to pick up the pieces and take on new responsibilities before we had planned to do

so. These are issues that will affect all northerners. Does the Minister plan to consult with northern leaders and the public at large in planning our government's response to the fundamental change that is represented by yesterday's federal budget? Mahsi.

**MR. SPEAKER:**

Minister of Finance, Mr. Pollard.

Return To Question 197-12(7): Public Consultation Re Federal Budget

**HON. JOHN POLLARD:**

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, the Member raises a good point. We are stuck with an impact upon us fiscally that has caught us in an election year, and there may be some people who say that we don't have a mandate and make any changes at the present time. But, certainly, the people of the Northwest Territories are going to be affected by the federal budget that was announced and by the impacts it is going to have on us in future years. I think it's incumbent upon us to have some kind of consultation process to say to people, similar to the way the Liberal government did with pre-budget consultations, what do you think? What are the services that are not important to you or what are the services that are most important to you? What do you think of these programs, et cetera.

So, yes, I will come back to the House with some means of having consultations with people in the Northwest Territories. But I will advise you, Mr. Speaker, and advise this House that I wouldn't be getting into \$500,000 consultation fees. We just don't have that money to spend. I will attempt to find a way to allow people in the Northwest Territories to express their opinions to the government and, hence, to this House on the way they view any budget changes that may take place in the next few years. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 197-12(7): Public Consultation Re Federal Budget

**MR. ANTOINE:**

I like what the Minister had to say about this. I'm certain, Mr. Speaker, that there are many leaders in

the north, elders, business people and other residents of the communities, who will have ideas about areas that should and shouldn't be cut back if the Northwest Territories receives less money from the federal government. How can these people make the Minister aware of their opinion and how can they tell

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the Minister what changes they think this government should make under these new financial conditions? Thank you.

**MR. SPEAKER:**

Mr. Pollard.

Further Return To Question 197-12(7): Public Consultation Re Federal Budget

**HON. JOHN POLLARD:**

As I said, Mr. Speaker, I will come up with some method of doing that. First of all, knowing that we are on television right now and being broadcast at some time today across the Northwest Territories, I would encourage members of the general public to get a hold of their MLAs. That's the first and best pipeline to get to the Government of the Northwest Territories, to talk to MLAs. In the meantime, if there are specific questions that need to be answered by the government, then they could just call my office.

Secondly, with regard to how we would consult, I will look at that situation, Mr. Speaker, and try to find an economical way to allow people to have input into any changes that may occur. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 197-12(7): Public Consultation Re Federal Budget

**MR. ANTOINE:**

Thank you, Mr. Speaker. Can the Minister identify where the lead responsibility will be within the government and the public service for the shaping of our plan for responding to this federal budget? Mahsi.

**MR. SPEAKER:**

Mr. Pollard.

Further Return To Question 197-12(7): Public Consultation Re Federal Budget

**HON. JOHN POLLARD:**

Mr. Speaker, the responsibility falls to the Financial Management Board. It is all of Cabinet sitting as the Financial Management Board who will shape the responses to these fiscal pressures. Usually, under their direction, I incorporate some kind of plan to go out and discuss things with the department. The point man on that is usually Lew Voytilla who works with the other deputy ministers to bring back to FMB any information required for them to make decisions. I would say that FMBS will be the prime leader in this, backed up by the rest of the departments. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Lewis.

Question 198-12(7): Incentives For Southern Companies To Come North

**MR. LEWIS:**

Thank you, Mr. Speaker. Today's Yellowknifer puts our Finance Minister and a very famous Roman politician who lived 2,000 years ago in the same headline. About 2,000 years ago a Roman senator called Cicero said we have to lessen dependence on government, get people to work and get the economy moving. We can't have all these handouts, we have to create our own wealth. Mr. Pollard, I'm sure, should be very happy to see that comparison.

Since, in his budget address, he has pointed out that what we have to do is encourage our economy and in light of the letter I read this morning, Mr. Speaker, about mining companies giving up because this isn't seen as a good place to do business, what did this government do in this budget in order to make it more attractive for all the money in the south to come into the territories? Is there anything in this budget to make it attractive for those people to operate here?

**MR. SPEAKER:**

Minister of Finance, Mr. Pollard.

Return To Question 198-12(7): Incentives For Southern Companies To Come North

**HON. JOHN POLLARD:**

Mr. Speaker, I think we did a number of things. We didn't raise taxes and we didn't raise corporate taxes. We said we wanted to get control of the resources in the Northwest Territories which we believe will cut out some of this duplication. Right now, companies have to deal with us, they have to deal with sometimes two or three departments in Ottawa, and by the time they get to us, it must be very difficult for them. In the budget speech, we said that if Mr. Todd is able to make an arrangement and we are able to take over the northern accord, we would be understanding of these companies' desire to have a system which is less bureaucratic and more prone to making decisions quickly and with less paperwork.

We have been lobbied by mining companies and they've told us how difficult it is. I think what we were saying in the budget speech is if we take over responsibility, we have got to make it more efficient and recognize that these people need to get on with their business, as opposed to fighting with the government all the time. That's the message we were trying to send, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 198-12(7): Incentives For Southern Companies To Come North

**MR. LEWIS:**

Thank you, Mr. Speaker. It's fine to say, yes, we'll eventually get an accord so we can share in the wealth. But, what if there isn't any produced and people aren't going to come here because it is so difficult. Since this is the budget session and we're talking about economics, I would like to ask the Minister of Finance a question, although he may want to defer it to another Minister. I understand that one of the big problems that many of the companies that would like to put in millions of dollars into this part of the world experience is the problem of tenure. How much certainty of tenure do companies have in doing work here with all this debate going on about who owns what?

**MR. SPEAKER:**

Mr. Pollard.

Further Return To Question 198-12(7): Incentives For Southern Companies To Come North

**HON. JOHN POLLARD:**

Mr. Speaker, I agree that it is confusing, particularly for people who come from board rooms where the dollar on the bottom line is the big deal. They make decisions on millions of dollars by fax and telephone. They are used to doing business very, very quickly. They are used to being told that yes, they own,

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they have the land, it is free hold title, or it's theirs for 50 years, et cetera. Then they come to the Northwest Territories and see the different stages of land claim negotiations that aboriginal people are in with the federal government and they start to worry about tenure.

Mr. Speaker, I have to say this. To my knowledge, there has never been a mining company kicked off a piece of property by someone in the Northwest Territories. There may have been some influence put on them such as: "You are on our land, so we expect you to hire some of our people." That's straight economics. I've yet to listen to an aboriginal group who are not going to respect leases that are already out there. I think it's more confusion on behalf of the mining companies than anything else. I've yet to see anything concrete that has risked their investment in the Northwest Territories.

Perhaps we have a role to play there. Perhaps we need to be the ball that bounces between the people who have claims on the land and the people who want to do business in the Northwest Territories. Maybe there's a mediation role that we can play. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 198-12(7): Incentives For Southern Companies To Come North

**MR. LEWIS:**

Thank you, Mr. Speaker. I will give one example just this morning of somebody who has a claim on Victoria Island who can't develop it because of the uncertainty of tenure and so on. To keep that claim alive, you have to pay money every year and get so much work done, otherwise it lapses. That's one example. I would like to ask the same Minister, although we're very much interested in revenue, companies are also interested in revenue. Does the government have any kind of role to play in making it more attractive for companies to operate here? For example, by giving

them a reduction in the kinds of taxes they have to pay because the initial costs are so very heavy? Have you given any thought at all to helping people during the start-up period so that it's easier to phase in by giving some kind of tax holiday for a year or two? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Pollard.

Further Return To Question 198-12(7): Incentives For Southern Companies To Come North

**HON. JOHN POLLARD:**

Mr. Speaker, there is some controversy across Canada right now because there is a very aggressive province on the east coast that is attracting people from as far away as BC by giving out certain tax holidays or certain concessions. It would be my contention that governments aren't very good at this kind of thing, Mr. Speaker. If something is there to make a profit and people are going to be hired, et cetera, it probably doesn't need government help, other than the fact that tax rates should be competitive with the rest of Canada. There shouldn't be any reason to give these people an advantage to go and dig something out of the ground. It should be an all-round economic advantage for the owners, for the people who work there, and for the people who live and die in the Northwest Territories.

Yes, we have looked at giving tax holidays. Yes, we have looked at giving incentives. The only thing that I would be prepared to suggest at the present time, Mr. Speaker, is some kind of payment to companies that will hire people from the Northwest Territories and train those people. I believe that Mr. Nerysoo has been looking at that, but that would be the only thing I would suggest at the present time, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Ballantyne.

Question 199-12(7): Impact Of Federal Budget On Justice Programs

**MR. BALLANTYNE:**

Mr. Speaker, my question is for the Minister of Justice. In the recent federal government budget there was talk of some cutbacks in the area of legal aid and in youth justice committees. Will the federal

cutbacks in the Solicitor General's office impact any of your programs here in the territories?

**MR. SPEAKER:**

Minister of Justice, Mr. Kakfwi.

Return To Question 199-12(7): Impact Of Federal Budget On Justice Programs

**HON. STEPHEN KAKFWI:**

Mr. Speaker, I have no details to report at this time. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Dent.

Question 200-12(7): Cost Of Tourism Marketing

**MR. DENT:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Economic Development and Tourism. Mr. Speaker, on Monday of this week, during committee of the whole, the Minister told the House that the department is conducting a review of tourism organizations. In reviewing Hansard, I find the Minister's comments a bit confusing. At one point he mentioned the figure of \$1 million a year, and then two sentences later he talked about TV for a total of about \$5,000. Could the Minister clarify how much his department spends on tourism marketing?

**MR. SPEAKER:**

Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 200-12(7): Cost Of Tourism Marketing

**HON. JOHN TODD:**

Thank you, Mr. Speaker. The Department of Economic Development and Tourism spends approximately \$1 million on direct marketing. Up until the recent cut, it spent \$600,000 plus in development of the zone associations that we've taken a hard look at. Over and above that, we've spent \$200,000 on the Explorer magazine and \$250,000 on a 1-800 number. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 200-12(7): Cost Of Tourism Marketing

**MR. DENT:**

Thank you, Mr. Speaker. Supplementary to the same Minister. The Minister also said on Monday that he was considering transferring this money and responsibility to zone associations. What steps has the Minister taken towards devolving this responsibility to non-government organizations?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 200-12(7): Cost Of Tourism Marketing

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I fundamentally believe that the marketing money should be in the hands of the private sector. It should not be left solely up to some bureaucrat in Yellowknife to determine how we're going to market the territories. It's our intention that once the review we're doing of zone associations is completed, should we be able to reach an appropriate arrangement east and west where we have two distinct zones which are running efficiently and are representative of the industry, I would make a commitment here and now to transfer the marketing dollars to those two zone associations so they can determine an appropriate marketing strategy that meets the needs of those in the tourist industry. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 200-12(7): Cost Of Tourism Marketing

**MR. DENT:**

Thank you, Mr. Speaker. Supplementary. The Minister makes it sound like the plans are well in hand for this transfer if it turns out to be a logical one. I would just like to know from the Minister, does he believe that it will be possible to conclude this transfer in the life of this government?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 200-12(7): Cost Of Tourism Marketing

**HON. JOHN TODD:**

Assuming we're here until October 15th, I want to assure the honourable Member that it's a priority of the Department of Economic Development and Tourism. Assuming we can reach an appropriate arrangement east and west, the money will be transferred and will be put in the hands of the private sector where, in my opinion, it belongs. Thank you.

**MR. SPEAKER:**

Item 6, oral questions. Mr. Koe.

Question 201-12(7): Review Of WCB Rates For Construction Companies

**MR. KOE:**

Mahsi, Mr. Speaker. Mr. Speaker, earlier today I asked the Minister of the Workers' Compensation Board questions about rates for taxi drivers and dispatchers. I have another question for the honourable Minister responsible for the Workers' Compensation Board who is responsible for setting the rates, or at least the board is, and the Minister is responsible for that board. So, through him, I would like to ask a question about the rates for construction companies. It's my understanding that the current rate is \$9.25 per \$100 of payroll. But this rate applies to all employees in a construction company, whether they're the plumber, the carpenter, the painter, or an administrative or secretarial worker. The risks to secretarial or administrative workers are significantly different than for those who climb ladders or pounds nails. I would like to ask the Minister whether any review has been done to charge different rates in an industry for the different types of work they do.

**MR. SPEAKER:**

Minister of the Workers' Compensation Board, Mr. Todd.

Return To Question 201-12(7): Review Of WCB Rates For Construction Companies

**HON. JOHN TODD:**

Thank you, Mr. Speaker. The WCB frequently does assessments on rates. I know, again from my

previous experience and now as Minister as WCB, that there is constant discussion about exactly the question that Mr. Koe had asked me. Ultimately, the responsibility for determining these rates lies with the board. My understanding is that they've classified construction and all the people in the construction field under the one assessment. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 201-12(7): Review Of WCB Rates For Construction Companies

**MR. KOE:**

Mahsi. Again, through the Minister, will he make an enquiry through the board which he is responsible for, to have a review of the rates charged in the construction industry to see if we can reduce the rates paid for administrative staff?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 201-12(7): Review Of WCB Rates For Construction Companies

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I will ask the chairman of the WCB if they will take a close look at this issue being raised by the honourable Member, both as it relates to construction and as it relates to taxi drivers. Thank you.

**MR. SPEAKER:**

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

Question 202-12(7): Status Of Gymnasium For Pelly Bay School

**MR. NINGARK:**

Thank you kindly, Mr. Speaker. My question is directed to the honourable Premier. The honourable Premier will recall the meeting we had in Cambridge Bay with the Kitikmeot Divisional Board of Education as well as a representative from the hamlet council of Pelly Bay. That meeting was about infrastructure money to be used for the gymnasium attached to the school. The Premier indicated at that time that she would communicate with the Honourable Richard

Nerysoo about the concern. Mr. Speaker, my question is could she update me on the concern. Thank you.

**MR. SPEAKER:**

Madam Premier.

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Return To Question 202-12(7): Status Of Gymnasium For Pelly Bay School

**HON. NELLIE COURNOYEA:**

Mr. Speaker, immediately upon my return, I did talk to Mr. Nerysoo about the issue. Mr. Nerysoo indicated that he would look at the request by the Keewatin regional education board, who wished to change the project over from Gjoa Haven to Pelly Bay and do it in a different sequence. He also indicated that he would look at the issue of the expansion beyond what was already projected because that was an additional request. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Item 6, oral questions. Mr. Patterson.

Question 203-12(7): Consumer Affairs Intervention Re Gasoline Tax Increase

**MR. PATTERSON:**

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Safety and Public Services. I think the Minister heard my statement about the gasoline price increases in Iqaluit which appear to be more than those justified by the recent federal government fuel tax increase plus GST. I believe consumer affairs is within the Minister's responsibility. Does the Minister have any powers to look into this matter? Thank you.

**MR. SPEAKER:**

Minister of Safety and Public Services, Mr. Nerysoo.

Return To Question 203-12(7): Consumer Affairs Intervention Re Gasoline Tax Increase

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. For the information of the honourable Member, the matter of prices relating to food stuff was an issue that was raised previously by the former Member of Aivilik, Mr. Arvaluk. We did



raise that concern on his behalf with a particular company so we do have a vehicle to intervene.

Generally speaking, the regulatory authority remains with the federal government, but I would be prepared to help and intervene on behalf of the honourable Member if he could provide me with the detailed information so that I might respond positively to his concerns.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 203-12(7): Consumer Affairs Intervention Re Gasoline Tax Increase

**MR. PATTERSON:**

Thank you, Mr. Speaker. I appreciate the Minister's offer to make enquiries. I have written the Minister today about my concerns. Do I understand correctly that the Minister is saying his officials could make enquiries but lack any powers to order or intervene, so as to correct any unfairness that they may find? Is that correct, Mr. Speaker? Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 203-12(7): Consumer Affairs Intervention Re Gasoline Tax Increase

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. Presently, we don't have legislation in place for us to intervene, but there is existing federal legislation that allows us to raise questions. So I will have my officials check into the particular matter the honourable Member raises and maybe we can identify the legislative options that we could use to deal with this specific issue to his satisfaction.

**MR. SPEAKER:**

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

Question 204-12(7): Status Of Oil Spill In Repulse Bay

**MR. NINGARK:**

Thank you, Mr. Speaker. My question is to the Minister of Public Works and Services. About two days ago, we heard news that in Repulse Bay there

was an oil spill from the Power Corporation's power plant fuel tanks. Since this is urgent, I would like to ask the Minister to update the House on what has happened. Thank you.

**MR. SPEAKER:**

The Minister responsible for Government Services and Public Works, Mr. Pollard.

Return To Question 204-12(7): Status Of Oil Spill In Repulse Bay

**HON. JOHN POLLARD:**

Thank you, Mr. Speaker. Mr. Speaker, it was the Power Corporation's tanks that experienced the loss. It was in excess of 100,000 litres. It has been contained. There is deep snow there so they are trying to get the snow out of the way to clean it up. The weight of the snow may have been the cause of a flex joint or a flex pipe breaking, they are looking at that right now.

Our immediate concern, Mr. Speaker, is would Repulse have enough fuel to get through until resupply in August or early September. There was a stroke of luck this season, Mr. Speaker, and that is that the airlines have not been fuelling up in Repulse this past year. So there is 20 per cent less call for fuel from the tanks. So we find ourselves in a position that even with this large spill, between the Power Corporation and DPW, we will be able to keep the community going without any hardship until resupply in August or September. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Question 205-12(7): Increase To Gasoline Tax

**MR. PUDLAT:**

(Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Finance. Here in the north inflation continues to rise, prices continue to increase. Mr. Speaker, now we are aware that gasoline prices are going up. This is very important to the easterners who don't have other ways of transportation and depend on gasoline. With the price increase along with the rental increases becoming effective April 1st, it seems that the federal government is out to get the people in the north.

Mr. Speaker, it was through the federal government that the communities in the north were eventually organized and formed. But it seems to me that inflation is never-ending and forever increasing. My question to the Minister of Finance is concerning inflation and cutbacks. Are these cutbacks and inflation rates set by the federal government or do you also decide in making the cutbacks and inflation rates go up? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Minister of Finance, Mr. Pollard.

Return To Question 205-12(7): Increase To Gasoline Tax

**HON. JOHN POLLARD:**

Mr. Speaker, with the increase in gasoline taxes, that was put on by the federal government. We had no input or decision-making process whereby we had input into that. So we cannot take the credit or the blame for that, Mr. Speaker.

Mr. Speaker, increases in prices such as that -- increases in the cost of airline tickets, the increase in the cost of doing business in the Northwest Territories, any cost increases -- those things fuel inflation. Although inflation across Canada has been relatively modest for the last few years, it is those kinds of price increases that do fuel inflation. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Pudlat.

Supplementary To Question 205-12(7): Increase To Gasoline Tax

**MR. PUDLAT:**

(Translation) Thank you, Mr. Speaker. For those of us who live in the smaller isolated communities, there is very little income and there is very little means of transportation. Unless you use barges to supply the communities, this is going to be a concern. When do you figure the gasoline prices will go up? We need the gasoline for transportation and it is difficult for people, as it is, to obtain gasoline. So when will these gasoline rates increase, Mr. Speaker?

**MR. SPEAKER:**

Mr. Pollard.

Further Return To Question 205-12(7): Increase To Gasoline Tax

**HON. JOHN POLLARD:**

Mr. Speaker, the effective date of the increase by the federal government on the gasoline tax was February 28th of this year. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Patterson.

Question 206-12(7): Development Of Policy For Film Industry

**MR. PATTERSON:**

Thank you, Mr. Speaker. My question is for the Minister of Economic Development and Tourism. Mr. Speaker, I was delighted that the Minister's department was able to assist the location of film production in Frost Fire and Trial at Fortitude Bay with film locations in the east and west last year. That assistance, I believe, was undertaken through the business development assistance to industry fund, but perhaps outside of the regular program envisaged.

I've talked about the need to establish a policy for assisting film productions in the Northwest Territories and I've been doing some research on this recently. I understand that there is now a person in the Minister's department who has been assigned to assist film productions in the Northwest Territories. Is that the case, Mr. Speaker? Thank you.

**MR. SPEAKER:**

Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 206-12(7): Development Of Policy For Film Industry

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I'm not aware if someone is particularly designated to this task. I think we now have a line budget to assist in the film industry in the Northwest Territories. We've found that, for the money we spend, the return on the investment was significant in both instances that Mr. Patterson alluded to. I will have to check if there is a PY but I believe

there is certainly money in the budget to assist in the development of the film industry. Thank you.

**MR. SPEAKER:**

Supplementary, Mr. Patterson.

Supplementary To Question 206-12(7): Development Of Policy For Film Industry

**MR. PATTERSON:**

Thank you, Mr. Speaker. This is wonderful news and I'm delighted to hear of it. I would like to ask the Minister if he could provide this House with information about how this new program or policy would work. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 206-12(7): Development Of Policy For Film Industry

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I would be only too happy to provide the honourable Member with the information. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Dent.

Question 207-12(7): Status Of Museum Library

**MR. DENT:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Education, Culture and Employment. I understand there is a library within the archives at the Prince of Wales Northern Heritage Centre which many have found valuable for research on various cultural, tourism and parks-related projects. I heard this library may be closing. Can the Minister advise if this is the case?

**MR. SPEAKER:**

Minister of Education, Culture and Employment, Mr. Nerysoo.

Return To Question 207-12(7): Status Of Museum Library

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. I can indicate to the honourable Member that, no, the library is not closing. What is occurring is there has been an assignment of management responsibilities for that task to meet with the budget that is before the Members of the Assembly.

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**MR. SPEAKER:**

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 207-12(7): Status Of Museum Library

**MR. DENT:**

Supplementary, Mr. Speaker. I would like to thank the Minister for that response. I think that since it has become more and more of a priority for this government to promote the cultures of the north, it is important for a valuable facility like that will still be available. Could the Minister clarify, will people still be able to request books and documents from this library after this reorganization takes place?

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 207-12(7): Status Of Museum Library

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. It is interesting, Mr. Speaker, I spoke to the deputy minister about this very issue this morning because there were a number of individuals who approached me about this matter as well. The information that I've received is that there will be no closure of access to the library. We have to deal with the budget before us and appropriately downsize the staff and the responsibilities. But, we are also reassigning other staff to assume the responsibility for this area. It's not our intention to reduce access to the information in the library at the Prince of Wales Heritage Centre. I agree it is a valuable asset and we need to continue to take advantage of it.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mrs. Marie-Jewell.

Question 208-12(7): Tabling Of Education Act

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. I have a question for the Minister of Education. I would like to ask the Minister whether the Education Act that the Minister's department has been working on for quite some time will be tabled during this session.

**MR. SPEAKER:**

Minister of Education, Culture and Employment, Mr. Nerysoo.

Return To Question 208-12(7): Tabling Of Education Act

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. It is certainly my intention to bring the document forward. Whether or not it receives the support of the House is a matter I can't judge. I only think it's important that we bring it forward, to at least lay the framework for the next Assembly, if that's what we decide to do.

**MR. SPEAKER:**

Thank you. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 208-12(7): Tabling Of Education Act

**MRS. MARIE-JEWELL:**

Can the Minister advise the House when he anticipates he will bring the document forward?  
Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 208-12(7): Tabling Of Education Act

**HON. RICHARD NERYSOO:**

Thank you. Based on the discussions I have held with the chair of the standing committee and the advice that was given to me by the deputy chair, Mr. Lewis, it is certainly our intention to have the document complete by March 8th. What happens is totally dependent on the Assembly and my colleagues.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Zoe. Sorry, Mr. Zoe. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 208-12(7): Tabling Of Education Act

**MRS. MARIE-JEWELL:**

I would like to ask the Minister if he would make a commitment that the Education Act is tabled before we go on break during this session. Thank you.

---Applause

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 208-12(7): Tabling Of Education Act

**HON. RICHARD NERYSOO:**

Thank you, colleagues. I can give a commitment to the honourable Member that I will make every effort to work with my colleagues to ensure we get through the process. I know the Minister responsible for House duties here, the House Leader, has made every effort to support me in this direction and I appreciate that. I hope I can respond positively to the honourable Member. We have Cabinet processes to go through, but it is our intention to try to work this through to present some documentation to the House.

**MR. SPEAKER:**

Final supplementary, Mrs. Marie-Jewell.

Supplementary To Question 208-12(7): Tabling Of Education Act

**MRS. MARIE-JEWELL:**

Thank you, Mr. Speaker. I recognize what the Minister is saying about the process but I would like to ask the Minister if he can indicate to this House whether or not he will make a commitment to bring the proposed Education Act prior to this session breaking this month. Thank you.

**MR. SPEAKER:**

Mr. Nerysoo.

Further Return To Question 208-12(7): Tabling Of Education Act

**HON. RICHARD NERYSOO:**

Thank you, Mr. Speaker. What I was trying to say is that I'm trying to work on this. If I can get it done, we will do the job. If I have the support of my colleagues to bring it forward then, obviously, things will work out. The other thing is, with the information I have, I'm not sure whether we have a break. So, I guess the question is, what happens with regard to that.

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**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Zoe.

Question 209-12(7): Closure Date For Winter Roads

**MR. ZOE:**

Thank you, Mr. Speaker. My question will be directed to the Minister responsible for Transportation. Mr. Speaker, our government has made a number of advertisements on television and in the newspapers regarding the closure of a number of winter roads. The concern I have is with regard to the date that has been selected by our government. If I recall correctly, Mr. Speaker, the closure of these winter roads will occur on March 15, 1995. I would like to ask the Minister what is so significant about this particular date that they've selected. Thank you.

**MR. SPEAKER:**

Minister of Transportation, Mr. Todd.

Return To Question 209-12(7): Closure Date For Winter Roads

**HON. JOHN TODD:**

Thank you, Mr. Speaker. The early closure of the winter roads was part of our OPPLAN reduction process. It's also part of our discussions under way with the federal agencies with respect to Fisheries and the Environment. It was primarily an OPPLAN reduction process, but there were also some environmental discussions under way with Fisheries and Oceans, et cetera. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 209-12(7): Closure Date For Winter Roads

**MR. ZOE:**

Thank you, Mr. Speaker. In other words, that specific date was selected so the government can save some money. That's my interpretation of the comments made by the Minister. Traditionally, Mr. Speaker, all the winter roads we have which are operated by our government normally close weather permitting. I would like to ask the Minister if he would reconsider the decision that his department has made with regard to the closure of these winter roads. Thank you.

**MR. SPEAKER:**

Mr. Todd

Further Return To Question 209-12(7): Closure Date For Winter Roads

**HON. JOHN TODD:**

No, Mr. Speaker. We are not in the fiscal position to reconsider at this time.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 209-12(7): Closure Date For Winter Roads

**MR. ZOE:**

Thank you. Supplementary, Mr. Speaker. Would the Minister consider if a specific group wants to maintain a particular winter road, would the permission be given by the department to run it by themselves, to maintain that particular road, weather permitting? Thank you.

**MR. SPEAKER:**

Minister Todd.

Further Return To Question 209-12(7): Closure Date For Winter Roads

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I understand the importance of these winter roads. I wouldn't want anybody to think I don't. I know that we've had a long history in the effectiveness of them. I'm not sure what the

legalities are of what the honourable Member is offering, which I appreciate. I would have to check into it with the department and see what our legal obligations are as it relates to safety, et cetera, but I do appreciate his kind offer at this time. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. Patterson.

Question 210-12(7): Procedures For New Rent Scale

**MR. PATTERSON:**

Thank you, Mr. Speaker. My question is to the Minister responsible for the Housing Corporation. Mr. Speaker, I know that it has been decided to assess the total household income now, and that this would require a change in the manner of collecting rent from what was done before. Has the corporation, in planning for the new scale, figured out precisely how they will organize the leases and hold people responsible for collecting rent, when there are a number of income earners in a household and those income earners may change from month to month? Has it been worked out? Thank you.

**MR. SPEAKER:**

Question period has lapsed. I will ask the Minister to respond.

Return To Question 210-12(7): Procedures For New Rent Scale

**HON. DON MORIN:**

Thank you, Mr. Speaker. It's my understanding that the Housing Corporation will be working with the local housing authorities to enable them to develop plans on how to collect the rents and to develop leases; so, for example, if an elder is in a unit with two sons who are able and capable of working and they are working, the elder would only pay \$1-a-year lease and the sons would be assessed and their rent would be paid directly to the local housing organization. Thank you.

**MR. SPEAKER:**

Thank you. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Mr. Clerk.

ITEM 10: PETITIONS

**CLERK OF THE HOUSE (Mr. Hamilton):**

Mr. Speaker, in accordance with rules 42(1) and (3), I wish to report that a petition, Petition No. 3-12(7), on behalf of the residents of Repulse Bay has been filed. Mr. Speaker, the petition contains 104 signatures.

The people who signed the petition would like the early release on parole of Mr. Simeonie Natsiq.

Mr. Speaker, the petition has listed 11 ways in which the community would benefit if early parole were granted. Thank you, Mr. Speaker.

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**MR. SPEAKER:**

Thank you. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. Mr. Lewis.

ITEM 13: TABLING OF DOCUMENTS

**MR. LEWIS:**

I would like to table Tabled Document 39-12(7), the Northwest Territories ballot that I referred to yesterday in my Member's statement. It's the Canadian Federation of Independent Business survey of opinion of the Northwest Territories about recall.

**MR. SPEAKER:**

Thank you. Item 13, tabling of documents. Item 14, notices of motion. Mr. Antoine.

ITEM 14: NOTICES OF MOTIONS

Motion 13-12(7): Defence Of Extreme Drunkenness

**MR. ANTOINE:**

Thank you, Mr. Speaker. I give notice that on Friday, March 3rd, I will move the following motion:

I move, seconded by the honourable Member for Sahtu, that the Legislative Assembly of the Northwest Territories expresses its full support for the proposed amendments to the Criminal Code which would remove self-induced extreme drunkenness as a defence to general intent crimes of violence; and further, affirm that the removal of this defence is demonstrably justifiable in a free and democratic society. Mahsi.

---Applause

**MR. SPEAKER:**

Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1995-96; Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories; Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories; and, Committee Report 4-12(7), Report on the Review of the 1995-96 Main Estimates, with Mr. Whitford in the chair.

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

**CHAIRMAN (Mr. Whitford):**

Good afternoon, committee. The committee will now come to order. When we left yesterday, we were on the budget. The Department of Transportation was under review. What is the wish of the committee for today?

**MR. DENT:**

Mr. Chairman, I would like to recommend that the committee continue consideration of Bill 1 and Committee Report 4-12(7), specifically the Department of Transportation's budget, then after that move on to Renewable Resources.

**CHAIRMAN (Mr. Whitford):**

Thank you. Does the committee agree?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Bill 1: Appropriation Act, No. 2, 1995-96

Committee Report 4-12(7): Report On The Review Of The

1995-96 Main Estimates

Department Of Transportation

**CHAIRMAN (Mr. Whitford):**

The committee agrees. Is the Minister of Transportation prepared to take the witness stand?

**HON. JOHN TODD:**

Absolutely.

**CHAIRMAN (Mr. Whitford):**

Will you be needing witnesses to assist you?

**HON. JOHN TODD:**

All the time. Thank you, Mr. Chairman. Yes, I will need assistants.

**CHAIRMAN (Mr. Whitford):**

Sergeant-at-Arms, will you assist the Minister in bringing in his witnesses?

Due to the fact that the witnesses are not available at the moment, we will take a break at the call of the chair.

---SHORT RECESS

**CHAIRMAN (Mr. Whitford):**

The committee will now come back to order. Would the Minister please introduce his witness to the committee?

**HON. JOHN TODD:**

Thank you, Mr. Chairman. As they say, better late than never, but on my immediate right is Mr. Gamble who is the deputy minister of Transportation, a growing, efficient department.

**CHAIRMAN (Mr. Whitford):**

Thank you. Mr. Minister and Mr. Gamble, welcome again to committee of the whole. When we left yesterday we were in general comments. I will now invite general comments. The chair recognizes Mr. Ningark, then Mr. Pudlat.

General Comments

**MR. NINGARK:**

Thank you, Mr. Chairman. Yesterday, some of the Members talked about the federal government plans to phase out the automatic weather observation

system in the near future, as well as the remote communities outlets, RCOs, in this part of the country. In fact, according to my understanding, their plan was to phase out the observer communicators to replace them with automatic weather observation systems, AWOS, and with remote communication outlets, RCOs.

According to my information, Mr. Chairman, this was done in the Edmonton area and, Mr. Chairman, the system proved unreliable about 60 per cent of the time. Mr. Chairman, in the Kitikmeot region, the communities are scattered, and, in most cases, the only means of transportation in the wintertime is by air, of course. Medical evacuations are done by air. It is a long distance from here to Cambridge Bay. Mr. Chairman, in the past 20 years -- also according to my information -- there have been about 100 people in the NWT perish because of the weather; especially in winter when the daylight is very short. Mr. Chairman, I don't think the federal government should wait until an aircraft crash occurs in this part of the

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country. I would urge the honourable Minister of Transportation and the government of this particular jurisdiction to try and convince the government that in the northern part of the country electronics are not reliable. Also, Mr. Chairman, if we replace the observer communicators with the automatic weather observation systems or with remote communication outlets, we would be losing some very important jobs. We don't have too many jobs available in this part of the country and I would, like my colleagues who have spoken to the issue, urge the honourable Minister to communicate with the federal government that what they propose to do is not acceptable in the north. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Ningark. I will just remind the committee that we are on general comments, and general comments are meant to just go over the department in general terms. If there are specific questions on some matter, it would probably be best to wait until we get to the detail in that specific section of the department. So, thank you, Mr. Ningark. Mr. Minister, you wanted to respond to that. Mr. Minister.

**HON. JOHN TODD:**

Thank you very much, Mr. Chairman. I want to assure the honourable Member from Pelly Bay that

we concur entirely with him on this issue, that we have advised the federal government and the aviation industry that we do, and that we are working aggressively to pursue any replacement of flight service stations with a CARS replacement. While that may not be a perfect scenario, it certainly has worked very effectively over the years in other territorial communities. That is our position, Mr. Chairman. We concur with the Member.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Minister. At this time, I have Mr. Pudlat on my list and then Mr. Antoine. Mr. Pudlat.

**MR. PUDLAT:**

(Translation) Mr. Chairman, I have a question with regard to what we were dealing with yesterday. This is going to be directed to the Minister of Transportation. I would like to thank him for the excellent job he has done up to today. I would like to point out that the communities are different, in size and population. Some of the communities have more people, some have fewer people. The smaller communities do not have larger scheduled flights going in to these communities as often as they have in the larger communities. For instance, in my community the airport is very small and because the airport is small only smaller aircraft can utilize the airstrip. We have larger scheduled flights going in on Mondays, Wednesdays and Fridays.

Another concern I wanted to raise with the Minister of Transportation; of the aircraft going in to Lake Harbour and smaller communities like Lake Harbour, a lot of aircraft that are being used are older models. I would like some consideration put into upgrading airports and airstrips.

I understand that part of this is the responsibility of the federal government, under the Arctic airports, but I would like to convey this message to the Department of Transportation. I want to know if our airport can be upgraded. We have asked for this before, for the future. I understand that in 1997 they are going to be upgrading the airport in Lake Harbour. But we have a lot of problems in our community now. When trying to get extra food for the community store; a lot of times the plane is not able to make it on time. As well, other goods are needed in the community, but because aircraft are too small, they are not able to carry all the goods and supplies that are needed for the community.



It is fortunate that we have not had any major accidents on our airstrip. Mr. Chairman, I will be asking for support to upgrade our airstrip in the near future. Sometimes, because, of the funding being cut, we think that we might not be able to get this airport and other airports in the communities upgraded. There is also the problem of passengers trying to make it home; sometimes they are not able to make it home on a certain flight because of the airstrip being too small.

I am concerned with Lake Harbour in particular and I just wanted to bring this up, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Pudlat. General comments. The next on my list is Mr. Antoine. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. I made a lot of comments yesterday during committee of the whole. The Minister started to reply, he said I will start with the easy ones first. While he was still replying we ran out of time, so if we could pick it up there.

I don't really want to reiterate what I said, but basically I talked about a concern with the highway maintenance operation. I said that the highway maintenance operation is going to be dropping quite drastically -- by \$1.54 million -- and it will have a significant impact in my area. I also stated that the total sum of the department dropped by \$1.082 million in 1994-95. That is the total that was dropped from previous years and the total amount dropped in the highway maintenance operation is \$1.58 million. So there is a difference of \$498,000 that went into other parts of this department's operations. If you are looking at the revised, it is still a significant amount that has gone into the other parts of the department. That is the way I read it.

I was concerned about it because if you are cutting back in one area to boost another area -- and I don't know if that is going on in this department -- the people I represent wouldn't like it at all and I have to express that concern here. Carrying on with the exact impact that it may have in the communities; the highway system, the way it is built in the area, is a gravel road and it cost huge sums of money to build it. It is an investment that this government has made over the years in the highway system.

The cutbacks in the level of maintenance have never been done before and I am very concerned because the impact of less maintenance on the highway...I was involved in highway maintenance in my area prior to being in the House and I know what kind of work it takes to actually keep these highway systems in good condition. They need to work it all the time with heavy equipment, with graders in the summertime, whenever it rains you have to make sure that you repair it right away or the road will further deteriorate; it will get rough, it will have a washboard effect. With heavy trucks going on it in that condition, it will deteriorate the road very quickly. There needs to be a high level of maintenance on this highway system to keep it in good shape.

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If, by these cutbacks, you are going to drop the level of maintenance to the highway, the highway will surely deteriorate to the point where if we are going to keep a highway system, we are going to have to invest huge sums of money in the future to bring it back up to the standards that we have today.

There is a safety factor as well. If we let the highways deteriorate into a washboard effect it is going to cause accidents. That is one concern that I have: the threat to human life by unsafe highways. There have to be certain standards that this government sets. If they are going to drop the amount of money for maintaining the highway, there have to be certain standards of safety that this department has to meet for the travelling public. We use the highway system quite a bit. The Minister stated statistics of 30 per cent and 10 per cent. You have to look beyond that; there are human people in those percentages who use this highway and their safety is a factor.

The other area of concern about this maintenance cut was for the tourist industry that is in my constituency. The highway system is used by a lot of tourists who come into my area; they go into the mountains to the Nahanni National Park and to different parts of that part of the country, to go to other communities. It is a source of income to communities in that area and the businesses that cater to the travelling public. I am afraid that less highway maintenance might have an impact on the tourism in my area.

There are different businesses that have contracts obtained through public bid as well as negotiated contracts and already I know that these contractors have different provisions within their contracts for how they make money. Some of it has already begun to

change. For instance, the fuel that they use -- they use quite a bit of fuel when they maintain the highway -- has been taken over by the government now so that there will be less cost to government, I believe. The contracts have already changed. Some of the negotiated contracts and the companies who have got contracts through public bid say they finance the heavy equipment through contracts. If their contracts are going to get cut back, they might have to lose some of the heavy equipment they're presently financing. I'm afraid that's going to have an impact on their businesses as well as on the people they employ. In the long run, there are going to be impacts on business and on employment of the people in that area. This cutback impacts a lot of people and I have a concern about it.

The final concern I have is about the winter roads. I wanted to ask questions today in question period but we ran out of time. On March 15th, the highways into Nahanni River, Trout Lake and Jean Marie River are going to be shut down. Around that time of the year, it doesn't snow that much in my part of the country and the roads are still usable until the end of the month; for two extra weeks. How much money is the government going to save by shutting down the road two weeks early? The road is there already, and if there is no snow on it, it is cold enough and it is frozen, can the people from these communities continue to use these roads or is the government planning to put barricades up so it makes it impossible for people to use the highway?

I guess the question here is, is it possible, if the weather is cold enough and it doesn't snow, if a community like Trout Lake would be able to use the highway until it is impassable? Likewise for Nahanni Butte and Jean Marie River. There are plans to bring in provisions to stock up the stores. Jean Marie River has been talking about it and they may be running out of time if March 15th is the deadline. We invested in opening the road and spent a lot of money doing it. But, if the winter road is there and there are good conditions, can they continue to use it? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Your time for general comments is up. I will ask the Minister if he wishes to respond to anything that has come up in the comments the Member has made. Mr. Minister.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. It's always difficult when you have to make cuts. It's a little out of character for this government, historically. We're in restraint, just like everybody else around the country, so there has to be some rationale for the cuts and I'll explain that in a moment. I do want to say that it is difficult but somebody has to make decisions and in this department, that ultimately lies with me.

I understand some of the concerns Mr. Antoine has raised and will try to answer them. Let me take the easy one first and that is the Fort Simpson airport. Mr. Antoine expressed some concern with the transfer about whether the services would be less or reduced. We're reasonably confident that the arrangement we have come to have with the federal government will, at a minimum, ensure the current level of service. We're reasonably confident that, with our hands-on experience with running Arctic B and C airports, with a little optimism, we might even be able to run them a little better.

On the issue of the overall cuts and Mr. Antoine's fiscal analysis of the situation, I should make it clear that the overall cuts to the department were \$2.6 million. Out of that \$2.6 million, \$1.5 million came out of highways. There was forced growth of \$1.4 million in relationship to maintenance on airstrips that wasn't there before. I feel it is important to clarify that. Out of the \$1.5 million for highways, Mr. Antoine is correct, there was a significant amount of money taken out of his riding, but it was also taken out of others because of traffic flow, the length of the road system, et cetera.

I don't question anything that Mr. Antoine has said about whether it is going to deteriorate in terms of levels of maintenance et cetera that has been there historically. We're going to try for that not to happen but time will tell. I was in a position, as other Ministers were, where I had to take measures to cut. I want to assure Mr. Antoine that any cuts that took place in the highways was not placed in another budget. Forced growth was the overall factor in determining the overall budget.

On the issue of winter roads -- and that is an issue that has been addressed by other colleagues -- again, that was a decision we had to make with respect to cuts. I will say that the primary reason was to look for savings because that was what was requested of us. However, there are discussions under way, and they have been going on for the last two years, I believe, with Fisheries with respect to environmental considerations when the ice roads deteriorate. That

was a factor, though not the principle factor in looking at reductions for winter roads.

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Mr. Zoe asked earlier today about whether people could still use the roads after March 15th. I would say that this government wouldn't sanction use of the ice roads. However, at the same time, I don't believe we would be in a position to stop people. I think that would be a fair statement.

I've instructed the department, because I understand the importance of adequate, cost-effective transportation to the small communities, to monitor very closely the maintenance of this highway this summer. If there is any way, in the future, that I can improve the level of maintenance, I'm prepared to do it. Those are my comments at this time, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. General comments. Next on my list is the Member for Baffin Central, Ms. Mike.

**MS. MIKE:**

(Translation) Thank you, Mr. Chairman. I have one concern. My second question was already dealt with by John Ningark. There seems to be no money allocated for docks and breakwaters. The budget seems more directed to the creation of bridges. (Translation ends) For the past few years, we've had severe weather conditions in early and late fall, especially in the eastern Arctic where we don't have any highway systems. A number of outfitters and fishermen have lost their vessels due to high waters. I don't see anything in the budget to address this problem. Especially in my riding, tourism is a viable business for outfitters, as well as Fisheries. Although, in one of my communities, the breakwater is under construction.

There are many other smaller communities, including in the Keewatin, that don't have any docking facilities or breakwaters to at least try to accommodate the vessel owners when we do have severe storms in early and late fall. There has been a number of boats that have been lost. Some of these vessels were purchased by this government through Economic Development and Tourism. Because I think we are going through some climate change, the weather in the eastern Arctic has changed dramatically. I am

somewhat disappointed not having seen any dollars allocated to what I call marine services. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Ms. Mike, for those comments. Mr. Minister.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. I would say to the honourable Member that while there are no significant dollars in the O and M budget, we have managed to shift some capital dollars in terms of trying to develop marine services in the Nunavut and Arctic areas. I think the Member is correct. Over the last 10, 15 or 20 years, we have spent an average of somewhere between \$15 million and \$20 million on an annual basis on road development in the western Arctic. We have spent significant money historically in trying to develop airports, if you want, in Nunavut. Clearly, in the coming years with the development of airstrips in to the western Arctic where they don't already have them, such as Nahanni Butte, Deline, or whether it's improvements to those airstrips, there is going to be a requirement for a closer look at equity in terms of the distribution of the dollars and where we put our money.

I am looking very carefully at that because I concur with the Member that we don't have a road system in the eastern Arctic. The theory behind it was that you would put airstrips into it. We are developing a comprehensive airstrip program in the west now. I believe by 1998, we will have airstrips in all communities except Mr. Zoe's...

---Laughter

...which we are endeavouring to look at, which Mr. Zoe knows full well.

**AN HON. MEMBER:**

(Microphone turned off)

**CHAIRMAN (Mr. Whitford):**

Order.

**HON. JOHN TODD:**

Am I supposed to...

**AN HON. MEMBER:**

(Microphone turned off)

**CHAIRMAN (Mr. Whitford):**

You have the floor, Mr. Minister. I have asked the committee to restrain themselves. Order, please. Mr. Minister.

**HON. JOHN TODD:**

We are endeavouring to try and find resources to assess the marine development, whether it's breakwaters in Pangnirtung, or whether it is Gjoa Haven, Pelly Bay or other communities in the eastern Arctic. If you want to go back to the capital budget, you'll see that we have made some improvement -- by no means perfect, but some improvement -- and I am optimistic that in the coming years we will be able to improve that even more.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. General comments. The chair recognizes Mr. Allooloo, then Mr. Zoe. Member for Amittuq.

**AN HON. MEMBER:**

(Microphone turned off)

**CHAIRMAN (Mr. Whitford):**

Just a minute. See, it's been so long since you have used it.

**MR. ALLOOLOO:**

Thank you, Mr. Chairman. As the Minister mentioned before, one of the only things that we have in the Nunavut area is the airstrips to get people from place to place. They are probably a few thousand years behind the western territories, who are very lucky to have highways to communities, winter roads and even paved highways over here. As the Minister knows, the CARS program, which I believe was the federal government's idea to assist to have the airport radios operating 24 hours a day, in some places has been cut severely, in some cases endangering airplanes to some degree. In my case, in my constituency of Pond Inlet, we used to have 24-hour radio operators who would assist the airplanes coming into the community. I understand the number of hours of operation has been cut and the airplane cannot utilize the weather reports and atmospheric conditions from the air radio operators. Mr. Chairman, I would like to know if there has been any

progress in terms of getting those air radio operators to go back to 24 hours to assist airplanes? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Allooloo. Minister Todd.

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**HON. JOHN TODD:**

I appreciate the Member's statements, and I certainly do recognize, coming from an eastern Arctic community, the vital importance of air safety and the absolute necessity to try to ensure that we get good, accurate, timely weather reports, particularly if you come from Rankin Inlet. So they tell me anyway.

Last year, the honourable Member did raise the issue about Pond Inlet, and I believe Clyde River was the other community where there had been a cutback. I believe at that time it was 40 hours work. Currently we are trying to negotiate for 65 hours, I believe. I stand to be corrected. I'd have to check my notes. We are trying to increase the hours of these CARS programs in the eastern Arctic communities that have them. These discussions have been going on for some time now. At this time, no, we have not come to a satisfactory arrangement, but we are still working on it very hard for that part of the country. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. General comments. The chair continues to recognize the Member for Amittuq.

**MR. ALLOOLOO:**

Thank you, Mr. Chairman. I appreciate the response I got from the Minister that the department is still working towards getting resources so that those places where they rely on aircraft for transportation will be able to get 24-hour assistance to give the airplanes updated information on atmospheric information. I would like to thank the Minister for that ongoing work.

On the other hand, Pond Inlet is fast becoming a centre of Nunavut, if not the centre of the universe pretty soon, as the Minister stated earlier during the sitting. Pond Inlet does not have a jet airstrip but it is a centre for the north Baffin and it is unique in having very good weather. I doubt very much that in the last few years an airplane has been prohibited from going

in to Pond Inlet due to the weather conditions. The Pond Inlet business community and the hamlet are interested in getting a jet airstrip. It would not be a lot of work. It would require an additional 2,000 feet, I believe, to extend the runway, and the community is willing to contribute some resources to that effect so that, in the event that jets could land there, it would give the aircraft companies another choice in the north Baffin. Mr. Chairman, I wonder if there's any process where, if the community is willing to contribute some resources for that kind of project, that sort of project could be assisted by the department? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Allooloo. I will just remind Members that this is not question period. We are in general comments and we are going over the Department of Transportation. If there are specific questions you wish to direct to the witnesses, perhaps you can save them until we come to that particular item in the book. I'll allow the Minister to consider the question.

**HON. JOHN TODD:**

Well, to be very frank with the honourable Member and to be fair to him, I will say there is nothing in our long-term plans to make significant expansions to the Pond Inlet airstrip. That would come under capital, of course. I know this community well. It is a marvellous community; I lived there in 1975. If the community shows the kind of initiative that I know it can, I would be prepared to send in some of our people from Transportation to at least initiate discussions in relation to this issue. But, I would have to say that at the present time, there is nothing in the long-term plan to expand. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Minister. General comments. The Member for Amittuq.

**MR. ALLOOLOO:**

Thank you, Mr. Chairman. I would like to thank the Minister for the response and would like to say that the community of Pond Inlet will shortly be asking the Minister's department to assist them in terms of planning and will let the government know their commitment of substantial resources. Even though the community of Pond Inlet is very poor, they are very willing to contribute, both in real resources and in

kind, towards extending the runway. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Allooloo. General comments. Next on my list is Mr. Zoe, then Mr. Patterson.

**MR. ZOE:**

Thank you, Mr. Chairman. Mr. Chairman, the Standing Committee on Finance recognized that, because of fiscal restraint in the government as a whole, this particular department has been hit the hardest; at least that's my view. Nevertheless, Mr. Chairman, I would like to encourage the department to continue to provide the services they are providing.

With regard to highway maintenance, I think it's very critical that they maintain the same level of service as they have in the past. Mr. Chairman, I don't have the statistics with me in regard to the amount of traffic between Rae Edzo and Yellowknife, but it's phenomenal, especially with all the freight being transported up here and from Yellowknife to other communities. I know the maintenance of that highway has sometimes not been up to par. I raised that concern, Mr. Chairman, during the fall session in November. To date, Mr. Chairman, the maintenance, in my view, hasn't been that bad but I'm kind of worried now that spring and summer are coming.

I would encourage the Minister and his department to keep in mind the safety of the general public who travel on those roads. I know that sometimes in the spring, it gets really wet and slippery and sometimes the highway people don't maintain the road as appropriately as they should.

Mr. Chairman, although the department is limited in its financial resources, I would strongly urge them to devolve certain programs and services to communities. For instance, the maintenance of certain sections of the highway and also the maintenance of winter roads, et cetera. I know the department is pretty tight with their money now but I think that effort still has to continue. A lot of goodwill has gone into negotiating a number of contracts before this. My constituents have held a number of contracts with this department and I hope that the department will continue with that high level of negotiations.

Mr. Chairman, I'm not too sure this has to do with this department, but I want to talk about dock facilities. I

think Transportation looks after community docks. I know that various communities have these docks and some are large, especially in the eastern Arctic. Some of the communities' docking facilities aren't

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up to par and the aircraft tied to these docks aren't very safe. Some are eroding to the point where a number of spikes could puncture the platoons of aircraft. I would encourage the department, again, to work closely with those communities that want to either refurbish their docking facilities or even get new ones.

Mr. Chairman, while I'm on the issue of negotiated contracts, one of the questions I wanted to ask this Minister concerns privatizing, say for instance, engineering services, in his department. I wonder if the department has considered privatizing that. I know of a number of firms that would be interested in providing this service. We have that kind of service available in my area.

Mr. Chairman, I wanted to touch on planning. Earlier, the Minister alluded to the success of the west in either upgrading or getting new airport facilities. I agree with the Minister that the west has had its fair share. But, the Minister must not forget that there are two communities without airports and one of them, the Minister indicated this afternoon, is Rae Edzo. Currently, Mr. Chairman, there is a study of the socio-economic impact on the community and region. Once that study is complete, I'm sure the community will definitely be sharing it with the Department of Transportation so they can include it in their planning. I hope, Mr. Chairman, when that time comes, that the Minister and the department will take that study very seriously.

As you know, Mr. Chairman, Rae-Edzo is the hub of the North Slave region. By not having this particular facility, it's making it more difficult for my constituents in the North Slave region.

Mr. Chairman, those are the comments that I wanted to make at this point in time. I will be making further statements later on when we go line by line. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Zoe. General comments. The chair will now recognize the Member for Iqaluit, Mr. Patterson.

**MR. PATTERSON:**

Thank you, Mr. Chairman. I just have a few additional comments on marine programs. I know that the marine services...

**CHAIRMAN (Mr. Whitford):**

I'm sorry, Mr. Patterson, but Mr. Zoe indicated that he had a question he wanted responded to by the Minister. I understood him to say that those were just general comments and he would get to that when we got to the book, that's why I recognized the other speaker. However, Mr. Zoe, I will ask the Minister if he wishes to respond. My apologies, Mr. Patterson. Mr. Minister.

**HON. JOHN TODD:**

With respect to the highway maintenance of winter roads, I think Mr. Zoe was in the room when I spoke to Mr. Antoine's concerns. I want to point out, the highway operations are somewhere around \$20 million in this O and M budget, that \$12.5 million or 51 per cent of it is allocated to highway maintenance. I think up until now we've done a reasonable job. And I believe yourself, Mr. Chairman, made some comments yesterday about that.

These are difficult times. You have to make cuts. Somebody has to make a decision about cuts. I made a decision. I've tried to apply equity to the cuts, based upon the percentages of where the budget is and the allocations it's in. I'm going to try my best in the coming months to try to bring it back up to the level that we want. But we're all living in difficult times, and I think most of the honourable Members, as well as Mr. Zoe, understand that.

We're going to evaluate the impact very carefully of the fact that there has been a slight reduction in highway maintenance.

On the question of docks, I would like to correct Mr. Zoe. The majority of docks are not in the west, they're in the eastern Arctic. I don't want to make comparisons, but the reality is the most sophisticated docks are in the west and it's only the last two or three years that there has been a significant shift in trying to provide some marine development for people in the eastern Arctic. Again, done on an equitable basis, I think, and trying to improve the marine infrastructure for people who utilize it like fishermen, hunters, et cetera.

On privatization of engineering services, at this stage I'm quite frankly not in favour of that. I think our engineering division does a bang-up job. Certainly, if you look at our capital projects, rarely, rarely do we lapse money. I think considering the amount of money that we have, we've done a reasonable job. Unless there are some real solid arguments for their inability to deliver in a cost-effective way, I would have a difficult time at this time supporting that. I think it's important that I be frank. Mr. Zoe wouldn't expect me to be anything else.

However, with that said, we're open-ended. The door isn't closed. If there is someone with a proposal who wants to come forward and can demonstrate to us that they can do the job, do it more efficiently, and more importantly do it more cost effectively, we're certainly going to look at it.

On negotiated contracts, I've stated on a number of occasions that it's my intention to continue on with negotiated contracts where the net benefits go to northerners and it can be clearly demonstrated that way. We will continue with that policy, I want to assure Mr. Zoe. But I've also said on a number of occasions, I don't see negotiated contracts as a never-ending thing. At some point, we all have to become competitive and at some point, we all have to gain the expertise necessary to compete in the market place; however, at this time I want to assure him that there will be a continuation of negotiated contracts. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Zoe.

**MR. ZOE:**

Just one more, Mr. Chairman. If I could seek information from the Minister. Earlier on when Mr. Antoine was talking about the winter road scenario, the Minister indicated that Fisheries and Oceans people, which is not under our jurisdiction, had concerns with regard to the ice conditions and the effects of the ice roads on water. Could I ask the Minister if he could share with our committee the concern of the Department of Fisheries and Oceans; if he could share with us the correspondence he's received or anything from Fisheries and Oceans which relates to the winter road, Mr. Chairman? Thank you.

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**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Zoe. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. There has been ongoing concern expressed by Fisheries and Oceans, particularly as it relates to the river crossings and some of the environmental concerns they have. As a matter of fact, Mr. Gamble tells me that in previous years the department was in fact charged, and then the charges were withdrawn. So it's kind of an ongoing discussion between Fisheries and Oceans and their environmental concerns, as it relates to the erosion of the river beds. That's really what my comments were with respect to that.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Again, I'll remind the committee that we're in general comments. If there are any specific questions they wish to ask, they should be directed to the areas where they would best be dealt with. Mr. Zoe, you're allowed 10 minutes for general comments. You have about one and a half minutes. I've been very lenient. Mr. Zoe.

**MR. ZOE:**

Mr. Chairman, my clock reads that I still have three minutes and eight seconds. Mr. Chairman, I'm seeking information from the Minister if he could share the latest correspondence that he's received from Fisheries and Oceans with regard to this matter. I'm not asking for it today, but if he could kindly share it with our committee so everybody is aware of what the concerns are from Fisheries and Oceans. I understand it's an ongoing thing, so I wonder if he could provide that to the committee. That's all I'm seeking is information, I'm not asking questions.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Zoe. Mr. Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman, and a good chairman at that, if I may say so. We would be only too happy to share the information in relation to the disagreements or the disputes that have come forward between Transportation and Fisheries and Oceans. I will provide that to Mr. Zoe and probably to Mr. Antoine and others affected by the ice road reduction program. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Minister. Next on my list would be Mr. Patterson. Mr. Patterson, Member for Iqaluit.

**MR. PATTERSON:**

Thank you, Mr. Chairman. Just some comments about marine services. I know that in this department "marine" primarily means ferries, ferry crossings and the like, but I also know the Minister is keenly aware of the ocean being a lifeline in the Nunavut communities.

I would like to make two points: number one, I have, for years, believed that we should be able to achieve greater economies of scale working cooperatively with Greenland on resupply in the eastern Arctic. I want to publicly commend the Minister and his department for not only seeing that but for taking the initiative to visit Greenland and initiate high-level discussions with our neighbours about how cooperation might be mutually beneficial. I think there has been far too little cooperation between our government and the neighbouring circumpolar jurisdiction in recent years, and I'm delighted the Minister has taken this on. Anyone who thinks that it's extravagant or being done for anything but the best fiscal interests of the Government of the Northwest Territories is dead wrong.

Secondly, Mr. Chairman, the Minister, I believe, knows of my concerns about the apparent erosion of operation sealift, at least in my constituency. I don't really know if it's happening elsewhere. Mr. Chairman, for years our government has, I believe, supported one sealift, in cooperation with the Government of Canada and the Coast Guard, which is designed to put all our business into one contract so the best prices can be made available, not just to the government but to private people including the little people who order their supplies and perhaps their vehicles or a boat on the sealift. Over the years, Mr. Chairman, operation sealift has been eroded. There was a vessel called the Hancock Trader operated some years ago now by an enterprising individual who successfully stole quite a little bit of business away from the sealift operation. But the situation has gotten even more serious in recent years. There have been operators -- I call them "pirate operators" -- who have actively undermined operation sealift. I guess what alarms me, Mr. Chairman, is that it has come to my attention that agencies of our government have been using these unauthorized operators. For example, I will cite the

Iqaluit Housing Authority which brought its materials and goods up to Iqaluit last year on a vessel other than the operation sealift contracted vessel.

There is another reason for concern about this, Mr. Chairman, and that is public safety and marine safety. I can do no more than cite the story of the barge that was, I believe, improperly secured and loaded by a company called Rock Lessard which was bringing its waste and scrap metal for the FOL contract south. This barge capsized en route to the south. I understand the accident was not reported as required, even though the tons of scrap metal would probably constitute a marine hazard.

So, Mr. Chairman, I want to note my concern about these developments and urge the Minister and his officials to explore with the federal government -- I understand in their objectives they are looking at the devolution of certain federal marine programs -- in a cooperative manner how we might achieve the best economies of scale, both for the operation sealift and also for resupply in the eastern Arctic through Greenland.

If the Minister has a response I would be happy to hear it, Mr. Chairman, but I am mainly interested in making these comments on the record today. Thank you very much.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Patterson. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. I will just make some quick, brief comments. I concur with the Member with respect to the erosion of operation sealift. We are working closely with Public Works and Services in an effort to try to resolve that. I believe the word he used was "pirating." I concur with that as well. At this time I am not able to tell you, not because I don't want to but because I haven't got the full information. We are working very closely with that because it is essential that we have a reasonable sealift at a reasonable price for the small operators as well as the large ones.

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I appreciate the Member's comments with respect to the Greenland component. The first visit we made to Greenland was a technical visit made up of bureaucrats from Transportation and Public Works and Services. It was in an effort to look at the sealift operation and the POL products, et cetera.



What transpired was that we also found that the Greenland government is currently looking into the development of a significant airport program in building airports. I believe at the time Kuupik Kleist, who is the current Minister of Public Works and Transportation, indicated that there was somewhere in the range of about \$200 million to build some airstrips in that area, and we agreed to provide them, at no cost and no charge, some technical advice on how they can perhaps build these airstrips in a more cost effective way. They were extremely pleased with our offer.

I also, of course -- knowing the entrepreneur in me -- indicated to them that perhaps there may be an opportunity for some northern business people to assist them and perhaps joint venture when they decide to move forward with these strips. There was clearly a sense of cooperation there, so I am optimistic that if this comes to pass and the dollars are there and the Department of Transportation can provide the Greenland government with significant technical expertise, that we may, in fact, manage to acquire some business for people who are in that field. Minister Kleist was in Yellowknife recently, and I am hopeful that we can take a small trade delegation, and others who may be interested, to Greenland in late May in an effort to -- not just, as Mr. Patterson said, to go and have a good time -- but try to perhaps secure some business for those people who are directly involved in it.

So I think this is an exciting initiative. There are large dollars involved. Yes, we are, on the front end, providing some free advice to them. I think that's good for us. It shows that Canadians and northern Canadians have some expertise in this field. So I think it's a laudable initiative and I'm hopeful that we will get an invitation sometime in May. I would put together a contingency of people who are directly involved in that industry and others who are interested to go there and see if we can perhaps conclude an arrangement. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. General comments. Any further general comments? Does the committee agree we go into detail?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Line By Line

Directorate

**CHAIRMAN (Mr. Whitford):**

Page 09-8, directorate, operations and maintenance, total O and M, \$2.953 million. The chair recognizes the Member for Inuvik, Mr. Koe.

**MR. KOE:**

Mahsi. One of the directorate's key structural objectives is to negotiate with the federal government to implement more transportation programs on its behalf. I ask the Minister whether or not there are any ongoing negotiations on the all-weather road between Inuvik and Tuktoyaktuk.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. There is an ongoing discussion as it relates to the possible joint initiatives with the federal government as it relates to overall roads. There are no specific discussions under way between Inuvik and Tuktoyaktuk. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Todd. Mr. Koe.

**MR. KOE:**

One of the initiatives also in the transportation strategy was the extension of the Mackenzie Highway north from Wrigley to Inuvik. Can the Minister tell us where the negotiations of that project are at?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Again, we have been working very closely with a group which Mr. Pope has certainly been spokesperson for and of course with the MP for Western Arctic, Ethel Blondin-Andrew, on this initiative. Discussions are still under way. Given the current fiscal restraint and Mr. Young's desire to cut 75 per cent of his department -- I believe he said that this morning when I was watching him on TV -- I am not that optimistic. However, what I have instructed

the department to do is to try to look as creatively as possible at a hire-north concept that we had years ago. That's still under discussion at this time.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Minister. Mr. Koe.

**MR. KOE:**

That makes sense, especially with the income support program initiatives. If there are jobs there and you can put people to work cutting line and doing whatever has to be done to prepare the ground for a highway, you can work almost out of every community going north and going south. There are good opportunities with the new initiatives that this government is working on.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

As I said, there are discussions under way. There are some changes taking place, as Mr. Koe said, with some of the government programs. It's an important initiative. At this time, no decisions have been made, but there are discussions. Social Services, Education, ourselves, the communities and the MP for the area -- I had discussions with her some months ago -- all would like to see something of this nature take place.

However, in fairness, there is no money at this time and we're struggling to maintain what we have. While we're bursting with enthusiasm and are trying to put a package together, we have to find a way to do it within our existing means. Hopefully, we could get some assistance from the federal government and move forward on it. I think some of the changes that Mr. Koe referred to may be what we need to move this forward from a theoretical exercise to a practical one. Thank you.

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**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

On page 09-8, the revenues for the revised forecast went from \$128,000 to \$8,000. Does the Minister know the reason for the decrease in the projections?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Oh dear. Just give me a moment, Mr. Chairman. I must apologize to the Member, I don't have that information in front of me. I will get it post-haste, and advise the Member. Sorry.

**CHAIRMAN (Mr. Whitford):**

Thank you. Is that okay, Mr. Koe?

**MR. KOE:**

We have to approve this and I'm curious about the major decrease.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Total O and M, \$2.953 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Transportation Engineering

**CHAIRMAN (Mr. Whitford):**

Transportation engineering. Operations and maintenance, total O and M, \$3.098 million. The chair recognizes the Member for Nahendeh, Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. Is this the one that deals with design and construction? I'm curious about the bridge that is supposed to go in at Poplar River. I would like to ask the Minister how the design and engineering of this bridge is coming along. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Thank you. I think I should make it clear to Mr. Antoine, because he was disappointed last year when we took that away, this Poplar River bridge is proceeding. The design work is under way and, God willing, it will be built this year across the river.

If I may, Mr. Chairman, I would like to go back to Mr. Koe's comments because I did determine what it was. The \$110,000 was the federal government's contribution to assist us in negotiating the Arctic A airports. I apologize for not having that at my fingertips. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. I think you answered two questions at the same time. Mr. Antoine.

**MR. ANTOINE:**

Thank you. I have made some comments in the past about the need for the department to improve the road in the Fort Simpson area where you get off the island and travel towards the airport. The community has been requesting that this road be hard-topped. It is a very widely used section of the highway. At one point, I asked that some sort of study be done to determine the costs for that section. The engineering section of the department has a tendency to be very generous in their estimates. In talking to private people, they have said it wouldn't cost that much to pave that section of the road or to chip seal it so that we don't have to have graders on it every time it rains. It deteriorates very quickly and it's hard on vehicles. I was wondering if the department has done any work in this regard. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Yes. Of course, this would be under capital, but at this time we're looking at the request of the Member to look at a long-term plan to chip seal the road in question.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Transportation engineering. The chair recognizes Mr. Zoe.

**MR. ZOE:**

Mr. Chairman, I wonder if I could ask the department about bridges, in particular the Frank's Channel bridge. Has the department done a study with regard to that bridge?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Zoe. Minister Todd.

**HON. JOHN TODD:**

Mr. Gamble has advised me that we haven't done a study on that bridge lately, no.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Zoe.

**MR. ZOE:**

Are there any plans to take a look at that bridge to see if it's still safe?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Zoe. Minister Todd, a safety issue.

**HON. JOHN TODD:**

Mr. Gamble advises me that it is inspected on a regular basis. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Transportation engineering, \$3.098 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Marine Services

**CHAIRMAN (Mr. Whitford):**

Page 09-10, marine services. Operations and maintenance. Mr. Koe.

**MR. KOE:**

If this activity is responsible for the operations and maintenance of ferries, can the Minister advise us if there are plans to change the method of operating ferries this summer?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

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**HON. JOHN TODD:**

There is no intent on the part of the department to make any significant changes to the operation of the ferries at this time.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

There's a slight reduction in O and M and I heard rumours that there may be a change in the way the ferry at Tsiigehtchic is going to be run, from an on-demand service to some kind of scheduled service. I just want to confirm if this is true or not.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Yes, Mr. Chairman, that's correct.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

Then I'll have to go back to the Minister's initial statement when he said there are no changes to the - I'm not sure of the wording he used -- no changes to the way that the operation of ferries are going to be run. Can the Minister clarify, then, what he's telling me? Are there changes to the way the ferries are going to be run at Tsiigehtchic.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

I believe if you check Hansard, you'll see that my response was that there would be no significant changes to the way the ferries are run. Our intention is to do the ferries on a scheduled- service basis. That's what we intend to do and we're fairly confident that that will maintain the current level of service at this time. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

Can the Minister then explain what the change is? There's a change to run a scheduled service; what does that mean to the public?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

The way I understand it, from discussions with the department, is if one car turned up at the ferry, we would wait until maybe two or three turned up. We're trying to get, if you want, maximum capacity so we would endeavour to run a ferry on a scheduled service like you have everywhere else. That's what our intent here is to do because at the present time, my understanding of it is that it's on demand, if that's the right term. So we're trying to determine, a little more efficiently, a schedule in terms of trying to get more traffic over with the ferries on a more consistent basis. That's what we're trying to do here. It's not our intention to reduce the level of service, it's just to maximize the utilization of the ferries. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

To an individual customer, it's going to be significant if there's only one vehicle sitting there and that vehicle may have to wait three or four hours before somebody else shows up and before the ferry moves. It's going to impact the customer and I can just imagine my colleague, Mr. Nerysoo, or myself getting phone calls the first day the ferry operates because they have to sit and wait. Customers up in that area are used to being there and getting fairly regular and fast service. To me it's a significant change and I wish to have proper answers when the ferry opens so that I can respond to the complaints that I'm sure I'm going to get from people up in the Delta.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Perhaps I wasn't as clear as I should have been. My deputy implies here that probably the maximum anybody would have to wait would be 10 minutes. Do you think we can handle that?

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe. That would be excellent because now you usually wait 20 minutes to half an hour. We applaud the Minister, then, for speeding up service.

---Laughter

I think what the Minister meant was only 10 minutes longer. Thank you. Mr. Koe. Marine Services, operations and maintenance. Mr. Antoine.

**MR. ANTOINE:**

On the marine services, we have the Liard crossing and the Ndulee crossing and I understand that the same level of quick service will be provided to Fort Liard and Ndulee crossings as at Tsiigehtchic. I guess the question here is that I just want to be clear that at the Fort Simpson/Liard crossing, the crossing is open at 8:00 am so the ferry will be ready to cross at 8:00 am. You'll go across the river and you'll come back at 8:30 am, for example, and then back again at 9:00 am. Is that the intention of it? What exactly do you mean by scheduled service?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Yes, that's exactly what we mean. I can provide the Member, whose constituencies are directly affected by this small policy change, with a schedule of what's going to take place. Mr. Antoine is correct, that is how we would see it. If it's okay with you, Mr. Chairman, I would like to suggest that I provide the honourable Members directly affected with the planned schedule for the ferries in those areas. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Member for Nahendeh, Mr. Antoine.

**MR. ANTOINE:**

Mahsi, Mr. Chairman. A question for the Minister of Transportation. Again, this is going to be change; I know it's small change in the way this ferry's going to operate but it's going to have an impact. It would be good if this information is provided to the public as soon as we can in the form of public announcements, posters, perhaps even different ads that the government may put up. Is it the intention of this

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department to provide that information right away if they have not yet done so?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

It's our intent to do that, Mr. Chairman. We recognize the importance of this infrastructure and the fact that we need to communicate clearly with the users. I think it's a reasonable position that we're taking so it is our intent to advise the communities and the users to the best of our ability in the coming months and, as I said earlier, I am prepared to provide the honourable Members directly affected with as much detail as it relates to schedules, as possible. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. My final question is once the ferry is put on a regular schedule, in terms of emergencies -- for example, we have vehicle accidents on the highways -- if ambulances, fire trucks or police vehicles need to be sent across would they make provisions for allowing them to be taken across as quickly as possible, if that's the case? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Yes, Mr. Chairman. Regular scheduled service is for normal conditions. If you had an unfortunate situation such as has been suggested, then we would move quickly to be supportive of that particular situation. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you. Operations and maintenance, total O and M, \$4.361 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Highway Operations

**CHAIRMAN (Mr. Whitford):**

Highway operations, operations and maintenance, total O and M. The chair recognizes Mr. Antoine and Mr. Koe.

**MR. ANTOINE:**

Thank you, Mr. Chairman. This is the area where I've been raising a lot of concerns. The drop in the highway maintenance, is that according to the transportation strategy? I know that this government had adopted the transportation strategy that was put in place by the previous government and they're following it quite well for paving the road between the Alberta border and Yellowknife and they're still carrying on this massive expenditure to improve this highway system. The strategy was to maintain a level of safe highway in the Northwest Territories for the infrastructure development. I just wanted to ask if this move to decrease the level of the highway maintenance operation is according to the transportation strategy.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

No, the reductions in this O and M budget were determined through the OPPLAN reductions. That's what this is about. The paving, et cetera, that Mr. Antoine alludes to in the plan we have, I believe is all under capital. This is an OPPLAN reduction exercise we went through months ago as it relates to the O and M at this time. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. This highway maintenance operation is going to cause a lot of concern as the highway tends to deteriorate in the summertime as well as in the wintertime when it snows and blows and if the graders don't get out there right away, we're going to have problems with safety and problems with lack of maintenance. I just wanted to see if the Minister could clarify this. This is the first time his department is going to do it. Mr. Todd is not very familiar with the highway system in the west here, especially in my area. If there are problems in that area, how is his department going to be dealing with it because this is a new move that his department is making? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Mr. Todd.

**HON. JOHN TODD:**

I do recognize the frustration with the OPPLAN reductions that we've made here. Hopefully I've explained why we've done them, so I won't go through that again. What I will say is I've instructed the department, recognizing that this particular activity of our budget is taking the biggest hit. I do recognize the legitimate concerns with respect to the size of the reductions that Mr. Antoine has alluded to. So I've instructed the department to monitor very carefully this summer the impact of it. If we get into a difficult situation, I want to assure him that we'll have to try to address it at that time.

But I had to make an arrangement to cut \$2.6 million out of the budget, as instructed by the Finance Minister. I tried to reduce it in an equitable basis based upon the total dollars in each activity. Unfortunately, this is a large fiscal activity within the Department of Transportation, it had to take its appropriate percentage cut. It's not something I enjoyed doing, but it's something I had no choice but to do at this time.

I want to assure Mr. Antoine and others that the department is fully aware of my concern and certainly of Mr. Antoine's concern as it relates to safety and as it relates to the quality of the roads. I will try to assure him by saying we will be monitoring the impact very carefully. If things don't go well, then we'll have to revisit it and I'll have to go back to Cabinet and see what steps I can take. But at this time, that's what our plan of action is. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Antoine.

**MR. ANTOINE:**

I just want to get some clarification. The highway systems, for example, from the Fort Providence junction to Fort Simpson, then we have a junction at a place called checkpoint. From there it goes down towards BC, past Fort Liard we have Highway No. 7. The road goes right into Simpson. Then we have

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another extension from Fort Simpson into Wrigley. Can the Minister explain the level of service? For each highway there is a certain category of operation for each section. If he could tell us how the highway system is viewed in terms of the category and how much each category will drop and what it means in terms of the types of services that will be provided now with the cutbacks that are being implemented by his department. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

I'll try to explain it as best I can, Mr. Chairman, because I tried yesterday. There is \$19.8 million allocated to highway operations, 42 per cent of the budget. In my endeavours to try to cut, I had to cut it on an equitable basis so I cut it accordingly. Of this \$19.8 million, 61 per cent is allocated to highway maintenance. In Mr. Antoine's riding it represents 35 per cent of the highway length in terms of the total highway system, but carries only 10.7 per cent of the highway traffic. Those are the statistical figures.

This particular area accounted for 35 per cent of the expenditures on highway maintenance. With the proposed reductions, it would still account for over 30 per cent of the highway maintenance. I don't know whether that answers Mr. Antoine's question correctly, but that's the way I understand it and that's the way we endeavoured to look at the cuts. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Antoine.

**MR. ANTOINE:**

I would like to thank the Minister for that. He already said that yesterday and I understood him then and I've understood him again today.

My question is specifically what is going to happen to the highway. The level of maintenance that each highway system has today and with the cutbacks, what does it mean in terms of the level of maintenance in each highway system in my constituency? Are they going to cut back? What does it mean? I heard a term that the highway system between Simpson and Wrigley is going to become a caretaker status. What does that mean from the level it is today to the caretaker status? Does it drop a certain number of points in that scale they use to have a certain status to each highway? If that's the case, how many points would the status drop on the highway out of Fort Simpson towards Hay River, and also the one into the Fort Liard area? This is what I'm asking. I'm sure that the deputy minister should be able to know these types of technical things. I just want to know for clarification. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Mr. Antoine is correct, I don't have that kind of technical expertise. I will ask my deputy minister to try to endeavour to explain what it means by reducing the category of maintenance and how that impacts and, at the end of the day, if that's not adequate then we can provide him with a full explanation after I've discussed it with the engineering division, if that's okay with you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Todd. Yes, it is fine with me.

**MR. GAMBLE:**

The basic maintenance standards we have for highways are based on maintenance categories ranging from category one through five on what we call caretaker. Those six levels of maintenance are usually prescribed to a large extent by the volume of traffic. The maintenance manual is about two inches thick. It would describe such things as how often the gravel surface is bladed, how much snow would be allowed to accumulate before it's ploughed, and a whole series of maintenance standards which will depend on the category of the highway. As I said, the

higher the volume of traffic and to some extent the more difficult conditions would give it a higher frequency of maintenance.

The Liard/Mackenzie west area have the lowest traffic volumes on the highway system and we are lowering the category by one level which will mean somewhat less frequent blading in the summer, et cetera. And I don't have the maintenance management system with me or memorized, but we can certainly make that available. It's a guideline for the amount of maintenance one would expect; the number of dry bladings per season, for example, one would expect to do. The maintenance foreman and superintendent don't follow that standard slavishly. It's a guideline as to what should be expected if conditions warrant. If conditions are good, they may even be able to maintain a level of service with less. If conditions are bad, they may require more. In the end, the judgement of district superintendents and foremen about what is acceptable prevails. But, certainly, the maintenance standard can give you a pretty good idea of what to expect, and that could be made available. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Deputy Minister Gamble. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. This budget does not really have a breakdown of exactly how many cutbacks will be in my constituency with this highway operation. All I know is there is going to be a major cut, about \$1.572 million, that I've been able to determine, in highway maintenance operations. I would like to know if it's possible for the Minister to tell me exactly how much less operating costs we will see in my constituency. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

Yes, Mr. Chairman, I will provide the Member with a breakdown of where the cuts are, post-haste. I want to say again that I know it is an important issue in the riding and there are cutbacks. We will provide the anticipated cutbacks along with a detailed examination of where it is now and where it is going to be, based on the cuts. That will put the Member in a better position to see how much the impact is going to

be in terms of the quality and standards of roads in his area. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Antoine.

**MR. ANTOINE:**

Thank you once again, Mr. Chairman. These types of cuts are going to have an impact on the department.

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The people who are doing a very good job administering this work in my constituency out of Fort Simpson -- the superintendent, the foreman, and so forth -- are going to be facing complaints from the public. Now, they get maybe two or three complaints once in a while and they easily handle them. With these new cutbacks, I predict they are going to have a heck of a lot more problems. You are not be going to grade the highway as often in the wintertime as well as in the summer and people are going to complain.

They are going to end up trying to deal with all these complaints; more complaints with less money. They are going to run into some problems. How are you going to deal with that? Is the superintendent going to be forwarding the complaints to myself, as an MLA and to other MLAs with similar problems, or are they going to be forwarding the complaints to headquarters? If there's a serious concern about safety, if the road deteriorates to the point where there are a lot of problems, how is that going to be addressed through your department? Who is going to be responsible? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Antoine. Minister Todd.

**HON. JOHN TODD:**

The superintendent, of course, is well aware of what we've done as are other divisions in the department where we've had to cut. He would be in the front line, in terms of receiving concerns and complaints. He would then transfer them to the director in Yellowknife and we would try to deal with them as expeditiously as we can. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. The chair recognizes the Member for Inuvik, Mr. Koe.



**MR. KOE:**

Thank you. I, too, obviously, am very concerned about the reductions in this activity. Following the comments made by Mr. Antoine and the information provided by the Minister, I am very curious about what is happening to the status of the Dempster Highway and whether that has also been reduced or upgraded. I would like to know what category that highway is now classified under.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

I can provide the honourable Member, as I will Mr. Antoine, with his highway's share of the cuts, Mr. Chairman, if that's okay with the honourable Member.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. At a later time, or shortly, Minister Todd?

**HON. JOHN TODD:**

I will try to provide it post-haste. I don't have it at my fingertips at this time.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

I don't necessarily want all the technical details, I'm more interested in the level of service. At one time, in the highway transportation strategy, the Dempster took second priority behind the Providence/Yellowknife highway. That was based on the condition of the road and the level of traffic. There was major work to be done. I assume that capital dollars are still going to be there in the future because there needs to be some upgrading of that road. It concerns me and the people I represent. Every year we are getting higher levels of tourism traffic. It is a growth industry for us and we have to provide safe roads for those people.

Another concern of mine which has been mentioned by others is the winter roads. I've consulted with a lot of people in the Delta and have provided the Minister with some letters stating their concerns. We've heard a lot about that. Sometimes winter gets delayed --

and I know we can't control it -- and people who have responded to the information provided by the Minister early last year still feel it should be done on an on-demand basis. As I said, we never know when it's going to melt. That's a comment.

I have another concern and maybe the Minister can provide the information, unless he has it at his fingertips. There's a reduction in this activity of 10.6 continuing PYs and about 3.4 casual PYs. Where have these cuts been made?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Let me assure the honourable Member that, at least for this year, the capital is okay. I can't predict what's going to be there in future governments. The Dempster Highway is an important highway and, based on need and the traffic demands -- I believe it is classified under category III, which indicates high traffic demand -- the maintenance level for that highway will be maintained.

I believe I've addressed the issue of the ice roads to the best of my ability. I recognize the importance of these ice roads. I've seen them, et cetera. However, I have to make cuts, as I've said, and I've tried to do it equitably. Regarding the PYs, I don't have that at my fingertips. I would be prepared to provide the honourable Member with a breakdown of the cuts tomorrow, just so I can get it accurate, if that's okay with him. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Highways operations. The chair recognizes the Member for Thebacha, Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Thank you, Mr. Chairman. I'd like to ask the Minister with respect to this particular area while he's providing the information to the Member for Inuvik, if he would provide the information to myself with respect to Highway 5, taking into account what cuts are going to be placed. Mr. Chairman, I'd like to also ask the Minister, under highways operation, the department has over the past couple of years, I believe, developed a policy for the selling of flags to individuals who may have cabins along the highway that need to be cleared of snow. I was just wondering

whether or not this policy is in place and whether or not seniors are exempt from this particular policy?

**CHAIRMAN (Mr. Whitford):**

I remember that. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Mr. Gamble tells me that the policy is in place and where people can demonstrate hardship we just waive the fee. Thank you.

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**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Thank you. I was just wondering, to help seniors avoid having to demonstrate hardship, whether or not the Minister would consider exempting seniors from this particular policy. Also, is it possible to obtain a copy of that particular policy? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mrs. Marie-Jewell. Minister Todd.

**HON. JOHN TODD:**

Yes. Yes, to both. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Thank you. This policy on the clearing of highways is a concern to some of my constituents, the ones who have trappers' cabins along the highway. I guess they're concerned about the lack of applying this policy consistently. We currently have a foreman in the community of Fort Smith who does clearing of roadways into the Alberta area toward one particular area called Four-Mile Lake. He has recently, apparently, cleared roads and never applied any charges to the individuals. The road toward the bison ranch is cleared continually and I suspect it's in conjunction with the Department of Renewable Resources but, at the same time, the same highway foreman has his trapline fairly close to that place so it's an advantage for him to keep that road cleared.

I want to indicate to the Minister that when he was in Fort Smith, I suggested that he take a tour of that whole highway area mainly because that highway's garage is used many times for personal reasons. There are always personal trucks parked in there, there are always ski-doo's parked in there, or dogsleds parked in there. I think these things have to be avoided because you do have local garages, in the event that you want to park your personal items in there. I'd appreciate it if the Minister could ensure that these types of items are not placed in the local garage that's supposed to be used for highway vehicles.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mrs. Marie-Jewell. Minister Todd.

**HON. JOHN TODD:**

Yes, Mr. Chairman, I will look into that issue. Mrs. Marie-Jewell did allude to it when I was in Fort Smith recently. Unfortunately, my schedule didn't allow me to visit that particular area but I did bring it to the deputy minister's attention upon my return. We are looking into it at this time and will take whatever steps are necessary to correct it if it's happening. I have no reason to disbelieve the honourable Member that it isn't so. It's certainly not our intent. We don't want government facilities used for private use. There's free enterprise out there doing its thing. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Thank you. I have total confidence that the Minister will address this issue accordingly. In closing, I want to thank the Minister, since I wasn't able to discuss the capital budget, for being able to address our concern about chip sealing the beginning of Highway 5. The community has appreciated it and I have greatly appreciated it. Thank you very much.

**CHAIRMAN (Mr. Whitford):**

It sounded like there were kudos in there, Mr. Minister. Highway operation, operation and maintenance, total O and M, \$18.211 million.

**SOME HON. MEMBERS:**

Agreed.

--Agreed

Arctic Airports

**CHAIRMAN (Mr. Whitford):**

Arctic airports, operations and maintenance, total O and M. The chair recognizes the Member for Inuvik, Mr. Koe.

**MR. KOE:**

I'm just curious if there are any monies in this activity for the Arctic A airports.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

No, Mr. Chairman, there are none.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

Can the Minister then tell us the status of the transfer of Arctic A airports?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Yes, we have an agreement in principle with Transport Canada. We're optimistic that this signing is imminent and right now we're working towards an orderly transition process, for us to take over July 1st, I believe it is. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

Where will the monies for that be identified, then?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

I believe they'll show up under Arctic airports and probably our capital budget because the arrangement we're making with the federal government is an addition to our base O and M as well as some capital monies that are required for airport improvements over the next years. I stand to be corrected, but I think it's somewhere in the range of \$24.6 million. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Koe.

**MR. KOE:**

Then there will be, at the appropriate time, a supplementary budget or estimate to cover that?

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**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Koe. Minister Todd.

**HON. JOHN TODD:**

Mr. Koe is correct. Yes.

**CHAIRMAN (Mr. Whitford):**

Thank you. Arctic airports, operations and maintenance, total O and M. The chair recognizes the Member for Baffin South, Mr. Pudlat.

**MR. PUDLAT:**

(Translation) Thank you, Mr. Chairman. Just a comment. I was saying that in the east there is a big problem. As you are aware, we live in a mountainous region and tourism is a big part of our economy. In 1997, there were plans to upgrade our airport but it seems to me that there is no money for upgrading under the current plans. Is it true that in 1997 our airport in Lake Harbour will be upgraded? Is that in the plans still? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Pudlat. Minister Todd.

**HON. JOHN TODD:**

I appreciate the honourable Member's question. I know that it's a long-outstanding issue and clearly there is need somewhere in the capital planning process to try and find the dollars. Discussions have been under way with the regional superintendent in

Baffin and the community, in an effort to try and reach some kind of strategic plan as to how we would go about this. I don't have the details here with me today with respect to the money in the capital plan for 1997. I will have to get back to the honourable Member. I can tell him that I recognize it as a priority. We are trying our best to see where it can fit.

I should also say that we are trying to put into place this year what they call a hazard beacon in the existing airstrip to improve the safety component of that airstrip. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Mr. Pudlat.

**MR. PUDLAT:**

(Translation) For some time now we have been putting in this request. It was said that in 1997 we would get our upgrading and we kept getting responses to that effect. Recently, when the Baffin Regional Council was still in existence, this was brought to the attention of the department. People are expecting to see some activity regarding their airstrip. The MLA before my time also brought this up as an issue.

For the people from Lake Harbour who I represent, this is a continuing problem. Like I said in my Member's statement, this continues to be a problem because, as I stated earlier, transportation occurs in our region by air. We are in a mountainous region and the weather is often quite windy. We are dependent on air flights and air activities for transportation. So, like I said, for people to have safe passageways of transportation, particularly those who have to travel on medical leave, our airstrips are very important.

Before something drastic happens, I want you to consider this seriously and hopefully we can get something done with the same goals in 1997 to become a reality in your main estimates. We hope that you keep this as a priority because studies were done on Lake Harbour to see if a new airstrip could be built. So this has been an ongoing issue, and we continue to make the same request even though we realize it would consume quite a bit of funding.

Another factor is that the population continues to grow and the number of people travelling back and forth grows, and we will be expecting to see this become a reality. I realize at this point that it's difficult to commit

to the upgrading of our airport, but please consider this seriously. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Pudlat. Minister Todd.

**HON. JOHN TODD:**

Yes, Mr. Chairman, we are. Thank you.

**CHAIRMAN (Mr. Whitford):**

Arctic airports, operations and maintenance, total O and M, \$14.002 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Motor Vehicles

**CHAIRMAN (Mr. Whitford):**

Motor vehicles, operations and maintenance, total O and M, \$2.560 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Highway Transportation Board

**CHAIRMAN (Mr. Whitford):**

Highway Transportation Board, operations and maintenance, total O and M, zero.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Transportation Planning

**CHAIRMAN (Mr. Whitford):**

Transportation planning, operations and maintenance, total O and M...It's nice to see you people happy. Sorry, the chair recognizes the Member for Natilikmiot, Mr. Ningark.

**MR. NINGARK:**

Mr. Chairman, I sat here for the past two hours listening to my colleagues from seventh heaven talking about highways, ferry crossing infrastructure and vehicles, winter road highway systems and so on. On this particular page, transportation planning, I would like to ask the Minister what is happening with the request from the community of Taloyoak for the community wharf? Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Ningark, for your patience. Minister Todd.

**HON. JOHN TODD:**

As the honourable Member knows, I have placed some priority on marine development in areas like Taloyoak and others. I must apologize. I don't know off the top of my head where it sits in the capital budget, but I will get back to the honourable Member. I want to assure him that marine development in Arctic communities is a priority of the department

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and we are endeavouring to do as much as we can with the resources we have. I will get back to him later on tomorrow, if that's okay, and advise him on the status of that wharf. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Transportation planning, operations and maintenance, total O and M, \$1.322 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Whitford):**

Detail of grants and contributions, contributions, \$14,000.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Whitford):**

Detail of work performed on behalf of third parties, total department, \$3.933 million. The chair recognizes the Member for Thebacha, Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Mr. Chairman, I just want to ask with regard to the work performed on behalf of third parties on Arctic B and C airports, taking into account the federal budget, how will this revenue be affected?

**CHAIRMAN (Mr. Whitford):**

Sorry, Mrs. Marie-Jewell, we missed part of what you were saying. We will go back to you. Mrs. Marie-Jewell.

**MRS. MARIE-JEWELL:**

Will the federal budget have any effect with regard to this revenue, taking into account that they did state they were going to cut different airports and weather stations across the north?

**CHAIRMAN (Mr. Whitford):**

Thank you, Mrs. Marie-Jewell. Minister Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Everybody is trying to analyze the federal budget as quickly as possible and it takes a little while for it to trickle down as to how it impacts on you as an individual department. However, in my discussions with Transport Canada and in particular, Minister Young, I emphasized to him the vital importance of the community aerodrome radio station program. And while I can't say emphatically today that it's not going to be cut, I am reasonably optimistic they won't. In fact, what we have been doing is aggressively trying to pursue an increase in the level of service as was alluded to earlier by my honourable colleague from Pond Inlet. So at this time I am optimistic that funding will stay in place, but we haven't had enough time to analyze in detail what will happen. We are optimistic that it will remain. Thank you.

**CHAIRMAN (Mr. Whitford):**

Thank you, Minister Todd. Total department, \$3.933 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Whitford):**

Program summary, page 09-7, operations and maintenance, total O and M, \$46.507 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Whitford):**

Does the committee agree that this department is concluded?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Whitford):**

Thank you. We have a few minutes to go yet. Before I go to...(Microphone turned off).

Patience there, Minister Todd. Minister Todd, I would like to take this opportunity, on behalf of the committee, to thank you and your witness -- I know you are anxious to go -- for assisting the committee in dealing with matters under this department. Thank you.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. We appreciate your cooperation this afternoon. Thank you.

**CHAIRMAN (Mr. Whitford):**

We are at your service. The chair recognizes the Member for Yellowknife Frame Lake, Mr. Dent.

**MR. DENT:**

Thank you, Mr. Chairman. I would like to move we report progress.

**CHAIRMAN (Mr. Whitford):**

Thank you, Mr. Dent. We have a motion on the floor to report progress. It is not debatable. All those in favour? All those opposed? Motion is carried.

---Carried

I shall rise and report to the Speaker. Thank you.

**MR. SPEAKER:**

The House will come back to order. Item 20, report of committee of the whole. Mr. Whitford.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

**CHAIRMAN (Mr. Whitford):**

Mr. Speaker, in your absence, your committee has been considering Bill 1 and Committee Report 4-12(7), and would like to report progress. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

**MR. SPEAKER:**

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

**AN HON. MEMBER:**

Question.

**MR. SPEAKER:**

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

---Carried

Item 21, third reading of bills. Mr. Clerk, item 22, orders of the day.

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ITEM 22: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Hamilton):**

Mr. Speaker, there will be a meeting of the full Caucus immediately after adjournment this evening. There are meetings tomorrow at 9:00 am of the Standing Committee on Agencies, Boards and Commissions, at 10:30 am of the Ordinary Members' Caucus, and at 12:00 pm of the full Caucus.

Orders of the day for Thursday, March 2, 1995:

1. Prayer
2. Ministers' Statements
3. Members' Statements

4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions

- Motion 11-12(7), Dissolution of the 12th Legislative Assembly

- Motion 12-12(7), Allocation of Funds from the 1995-96 Supplementary Funding Reserve to Address the Initiatives Contained in the Social Envelope Committee Document

17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 1, Appropriation Act, No. 2, 1995-96

- Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories

- Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories

- Committee Report 4-12(7), Report on the Review of the 1995-96 Main Estimates

20. Report of Committee of the Whole
21. Third Reading of Bills

- Bill 15, An Act to Amend the Elections Act

22. Orders of the Day

**MR. SPEAKER:**

Thank you, Mr. Clerk. This House stands adjourned until Thursday, March 2, 1995, at 1:30 pm.

**--ADJOURNMENT**