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The Honourable **Samuel Gargan**, Speaker

**MONDAY, MAY 13, 1996**

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**MEMBERS PRESENT**

Hon. Jim Antoine, Hon. Goo Arlooktoo, Mr. Barnabas, Hon. Charles Dent, Mr. Enuaraq, Mr. Erasmus, Mr. Evaloarjuk, Mrs. Groenewegen, Mr. Henry, Hon. Stephen Kakfwi, Mr. Krutko, Mr. Miltenberger, Hon. Don Morin, Hon. Kelvin Ng, Mr. Ningark, Mr. O'Brien, Mr. Ootes, Mr. Picco, Mr. Rabesca, Mr. Roland, Mr. Steen, Hon. Manitok Thompson, Hon. John Todd

ITEM 1: PRAYER

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**DEPUTY SPEAKER (Mr. Ningark):**

Thank you. Item 2, Ministers' statements. Mr. Arlooktoo.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 46-13(3): Local Housing Organizations Funding Model

**HON. GOO ARLOOKTOO:**

Mr. Speaker, I would like to make a short statement today to inform Members about the NWT Housing Corporation's new funding model for local housing organizations, LHOs. Over the past 22 years, the Housing Corporation funded the LHOs through a deficit funding arrangement where they paid for all overexpenditures and took back any savings generated at the community level. This mechanism has not rewarded or promoted good management in the communities.

In support of Cabinet's direction to live within our means, the Housing Corporation has developed and implemented a new funding model which achieves several objectives:

it promotes fiscal accountability and provides greater authority to our partners in the delivery of housing services to residents of the NWT. As well, the new funding formula provides a framework which equitably and fairly distributes our limited financial resources to the LHOs and provides incentives for LHOs to manage their resources as effectively and efficiently as possible. Under this new arrangement, the LHOs will be able to retain 50 per cent of any surpluses generated and these funds may be spent at the

discretion of the LHOs for any community housing purposes. We expect that our residents will get more value for our housing dollars.

This new funding model is also designed to support the government's plan for community empowerment. Communities will be able to set their own housing priorities within minimum program standards. For those communities which are considering housing under the community empowerment initiative, the new funding model clearly identifies the resources available to each organization which administers public and staff housing at the community level.

Mr. Speaker, I believe the new funding model represents a major step forward ' in achieving the goals of this government. It gives LHOs more power to set priorities and will make them more accountable to their communities and residents. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Item 2, Ministers' statements. Mrs. Thompson.

Minister's Statement 47-13(3): Land Reform Initiatives

**HON. MANITOK THOMPSON:**

Mr. Speaker, as Members of the Legislative Assembly know, the Department of Municipal and Community Affairs is the lead department for this government's community empowerment priority. This government is committed to ensuring that communities have the flexibility and authority that they need to manage their own affairs and the department is ready for this challenge.

The department is moving to respond to this government priority. A number of initiatives aimed at building community control are already in progress. One of these initiatives is to reform the community land development process.

Land reform has been given by many factors:

- foremost, the expressed desire of communities to strengthen their authority and responsibility;
- secondly, all Nunavut community governments will hold title to land within their boundaries by July 1996 and as  
outstanding claims are

settled, the department will encourage ownership of land by community governments in the Western Arctic as well;

- finally, in the past, MACA has provided building lots for residents in non-tax-based communities in the NWT.

The costs of developing land have not been recovered. This has resulted in a huge subsidy which everyone received regardless of their ability to pay. Mr. Speaker, as all Members know, this government faces the challenges of providing important programs and services with less money. We must utilize our resources in the most effective manner possible, to provide or assist community governments in providing these programs and services. A more reasonable level of recovery and land development costs is therefore necessary.

The department will be reviewing how land should be developed, financed and priced. This review will include all community governments and band councils and will focus on an opportunity to increase local control over land development. Where the GNWT continues to do land development, a fair and affordable method of cost recovery will be developed.

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Mr. Speaker, as the first step of this process, the department has prepared a paper entitled: "Funding the Right Balance: Options for Changing Land Development Practices." This paper will be used to:

- inform community governments and organizations of the issues around land development;
- outline the options available to governments for new strategies for land development; and,
- help us to work together with communities to ensure that we find the right balance between the interests

of governments and land users.

Mr. Speaker, the department is committed to providing the necessary training and funding to assist community governments in this area. The department has provided funding and training for community governments and residents. Examples include the community land administration certificate program; the community lands computer system; ongoing workshops with community governments; and, managing capital projects. The department

recognizes that these training opportunities are very important to the success of this particular community empowerment initiative. They will continue to be a main component of assisting communities to take on these new authorities and responsibilities.

The department is also examining ways to increase community authority and responsibility through legislative changes. For land reform, this will involve enabling legislation for long-term borrowing for land development.

The department recognizes that meaningful and thorough consultation is very important to the success of this initiative. Over the next few months, we will be discussing with communities the pricing of building lots and options for new land development strategies. The strategies will reflect the evolving role of community governments in land development and pricing of building lots and options for new land development strategies.

The strategies will reflect the evolving role of community governments in land development and pricing of building lots and options for new land development strategies. The strategies will reflect the evolving role of community governments in land development and pricing. The department will be seeking feedback on what the GNWT needs to do to facilitate these changes. Once this input is received, I will be bringing my recommendations to Cabinet.

Mr. Speaker, although there are many challenges that lie ahead in reforming the community land development process, there are also many exciting opportunities. I am confident that, working with community governments and band councils, we can take advantage of these opportunities and better serve the people of the Northwest Territories. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:**

Thank you. Item 2, Ministers' statements. Mr. Premier.

Minister's Statement 48-13(3): Nunavut Leaders' Summit, Arviat

**HON. DON MORIN:**

Mr. Speaker, on May 10 and 11, 1996, I attended the Nunavut Leaders' Summit in Arviat which was sponsored by the Nunavut Caucus. I would like to

report on progress reached and on outstanding issues which need further discussion and action.

Substantial progress was made on appointment of an interim Commissioner. NTI, the federal government and the GNWT agreed on a number of key points regarding the appointment of this senior bureaucrat to assist in establishing the Nunavut government. We agreed that the appointment should be made by the fall of this year and that all three parties must be involved in instructing and advising the interim Commissioner. NTI, the federal government and the GNWT also agreed that they must all be involved in the recruitment process and must all agree on the candidate for the position. Officials have now been given direction to proceed with the recruitment of the interim Commissioner.

There was also agreement on the need for a comprehensive human resources and training strategy to ensure that the Nunavut government has a workforce that is representative of the population in Nunavut. It will be jointly managed by the three parties. The GNWT expressed its concerns with the amount of funding made available, especially since training is critical to the success of the Nunavut government.

While some progress was made on the issue of infrastructure, there remains a number of areas of uncertainty, particularly in relation to the adequacy of the identified funding. Just to illustrate the point: \$150 million is roughly equivalent to six weeks of government spending in a single fiscal year. That amount, by any standard, is modest.

In fact, the most major area of concern raised by the majority of delegates was the overall adequacy of the funding and its effects on the formula financing arrangements post-1999. Federal officials again confirmed that a large portion of the incremental costs for division and the creation of Nunavut will be based on amounts identified in the formula financing arrangements for both territories. Needless to say, if that is the case, we need to fast-track negotiations on the structure and content of the post-1999 funding formulas for both Nunavut and the Western Territory. This government will be asking NTI to join us in calling upon the federal departments of Finance and DIAND to commence these negotiations no later than September 1996 and to conclude an agreement-in-principle no later than March 31, 1997. We can't leave uncertainty on this issue until 1998.

An important undertaking was reached between NTI and the Nunavut Caucus whereby they each agreed to work more closely together as partners. This can only benefit the people of Nunavut and the division process.

Mr. Speaker, while the discussions were often frank, I believe the Arviat meeting was a productive exchange which has brought the real issues into sharper focus.

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Mr. Speaker, just to add, on a personal note, I would like to thank the people of Arviat; the mayor; and, the MLA, Mr. Kevin O'Brien, for their warm welcome and for their hospitality while we were there. Matna, thank you.

--- Applause

**MR. SPEAKER:**

Thank you. Item 2, Ministers' statements. Mr. Premier

Minister's Statement 49-13(3): Minister Absent From The House

**HON. DON MORIN:**

Thank you, Mr. Speaker. I wish to advise Members that the Honourable Jim Antoine is travelling back from Fort Simpson and will be a little late for today's sitting. He should be here by about 2:30 p.m. Thank you.

**MR. SPEAKER:**

Thank you. Item 2, Ministers' statements. Item 3, Members' statements. Mr. O'Brien.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Nunavut Leaders' Summit, Arviat

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, my statement will also focus primarily on the Nunavut Leaders' Summit, hosted this past weekend by my home community of Arviat. You will note that a number of my comments will follow very closely in line with the Premier's statement.

The historical significance of this meeting cannot be overstated. Many respected leaders travelled to Arviat to participate in these important discussions. Some of

these visitors include the following: the Honourable Ron Irwin, Minister of Indian and Northern Affairs; the Honourable Jack Anawak, MP for Nunatsiak; the Honourable Don Morin, Premier of the Territories; Mr. Jose Kusugak, president of NTI; Paul Kaludjak, president of the Keewatin Inuit Association; Ms. Blandina Tulugarkjuk from the Baffin Regional Inuit Association; Mr. Charlie Evalik of the Kitikmeot Inuit Association and the commissioners of the Nunavut Implementation Commission. Regrettably, Mr. John Amagoalik was not able to attend due to illness.

Mr. Speaker, our dream of Nunavut is fast becoming reality. After many years of negotiations and three plebiscites, calling for almost unlimited patience on behalf of the people of Nunavut, we are only three years from the creation of this new Territory. The maps of Canada will change for the first time in 50 years to mark this occasion.

Many different decisions have been made and many more challenging decisions lie ahead of us. We were pleased to have the Honourable Ron Irwin present to discuss these issues and concerns, currently facing the leaders of the Nunavut.

Mr. Speaker, the summit agenda was lengthy and complex. We were dealing with such issues as the appointment of the interim Commissioner within the next few months, and the appointment of an Electoral Boundary Commissioner this summer. We must also appoint a Statute Revision Commissioner who will commence working on the laws that will govern Nunavut. New deputy ministers and other public servants must be hired to serve Nunavut.

Mr. Speaker, a very clear message was heard from the majority of the leaders, primarily the federal government, the GNWT, NTI, the various regional associations and other concerned groups. The message was that we must work very closely together in a genuine spirit of cooperation. We need and deserve this in order to establish a strong and vibrant Nunavut. We must act as partners in this most critical and historic process.

The extremely important issue of recruiting and training bright and talented residents of Nunavut was also addressed.

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

**MR. SPEAKER:**

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

**MR. O'BRIEN:**

Thank you, Mr. Speaker. The extremely important issue of recruiting and training bright and talented residents of Nunavut was also addressed as it relates to employing individuals who will serve in the public service of our new Territory.

Mr. Speaker, there was much discussion and disagreement over the infrastructure development plan that will be necessary to govern such a large and sparsely populated region. Although we did not reach total agreement on this issue, it was understood that all parties would work together on an acceptable agreement on this major concern. The Canadian Constitution will have to be amended to ensure that the rights of Nunavut residents are reflected in that Constitution.

Mr. Speaker, there was also a great deal of concern about the \$150 million incremental funding agreement that Mr. Irwin announced earlier this month. Members questioned if this sum was sufficient to build a strong Nunavut. It was, however, agreed that this issue would not be allowed to play any part in delaying our progress at this time.

Finally, Mr. Speaker, there was a general agreement that the primary responsibility of those attending was to ensure that the foundations established for the government of Nunavut should accurately reflect the will and wishes of the people of Nunavut. As Nunavut's creation is a direct outcome of the people's aspirations, it is imperative that leaders stay true to the visions of those residents. Our success will be reflected when generations from now, children reflect on the good job that their ancestors did at the Arviat summit.

Mr. Speaker, my last words are to say how proud I was to be representing the community of Arviat at this meeting. Special thanks go to the residents of Arviat, especially the elders who worked very hard to make our visitors feel very much at home. Thank you, matna, mahsi cho.

--- Applause

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**MR. SPEAKER:**

Thank you, Mr. O'Brien. Item 3, Members' statements. Mr. Enuaraq.

Member's Statement On Access To Social Housing For Handicapped People

**MR. ENUARAQ:**

Thank you, Mr. Speaker. Before I start my statement, I would like to mention the warm hospitality of the people of Arviat.

Mr. Speaker, I wish to speak about access to social housing for handicapped people. Recently, I have been dealing with a request from the hamlet of Clyde River to provide access to public housing for a handicapped person. In looking into the matter, Mr. Speaker, with the Northwest Territories Housing Corporation, I learned that such requests are dealt with on a case-by-case basis.

I am concerned that there should be a policy in place to deal with these situations. People who are tenants in social housing should know that the corporation will respond to their request for the special facilities required by handicapped people in an orderly way.

The policy should include the Department of Health and Social Services, which obviously has resources and responsibilities for handicapped persons. I would like to see CMHC included in this policy, since the federal government should be cost sharing any new facilities which are put into houses for handicapped persons.

I hope, Mr. Speaker, the Minister responsible for the NWT Housing Corporation, the Honourable Goo Arlooktoo, will consider my advice and direct his officials to take the lead to develop a government-wide policy for access to social housing units for handicapped persons. Thank you, Mr. Speaker.

--- Applause

**MR. SPEAKER:**

Thank you, Mr. Enuaraq. Item 3, Members' statements. Mr. Picco.

Member's Statement On Success Of Nunavut Leaders' Summit In Arviat

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, this past weekend, the Nunavut Caucus met with our partners in creating the new Nunavut Territory in Arviat. Mr. Speaker, the partners I am referring to are the GNWT, NTI and the federal government. NIC, in its role as an advisory body to the parties was also in attendance. We will have to work closely with our partners to ensure that the financial, administrative and logistic hurdles are overcome, so that on April 1, 1999, Nunavut will be up and running.

Mr. Speaker, the people of Arviat were most hospitable and I personally enjoyed seeing Simon Sejjirak perform live for the first time.

--- Applause

Mr. O'Brien and the community of Arviat have to be congratulated on the first-class entertainment and administration work they put in place to ensure a successful meeting.

Mr. Speaker, myself, Mark Evaloarjuk, Tommy Enuaraq and Levi Barnabas stayed with Mr. O'Brien. I would like to thank him for his comfortable couch and good food during our stay. Mr. Speaker, returning to Yellowknife from Arviat, we had to spend a few hours in Rankin Inlet. True to form, the Honourable John Todd greeted us with much hostility during our lay-over in his community. Thank you, Mr. Speaker. I mean hospitality.

--- Laughter

--- Applause

**MR. SPEAKER:**

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

Member's Statement On Business Credit Corporation

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Mr. Speaker, the NWT Business Credit Corporation was created to encourage economic development and employment in the NWT. The corporation does this for making loans to businesses, guaranteeing loans made by financial institutions to businesses and providing bonds for resident businesses.

Mr. Speaker, these are laudable goals. We all want to support northern business. However, I have some great concerns about how the Business Credit

Corporation conducts its business, both on the lending side and when collecting loans. My concerns come from a belief that these areas need to be freed from the potential of political interference.

The board of the Business Credit Corporation is politically appointed. There is always the possibility that decisions made by board members will be seen as politically motivated. In order to assure the public that decisions are made objectively and without political interference, the board should not be involved in approving loans. The board's role should be to establish clear policies for granting loans and setting general policy for the corporation.

The actual approval process should be objective and out of the hands of the board. It should be strictly a business decision. I also believe there is far more we could be doing in the area of loans collection. Many people will just pay back their loans. However, there are some that don't. The Department of Justice is currently responsible for loans collection. As a department reporting to a Minister, there is always a potential, no matter how small, of political influence.

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As a resident of Fort Smith, even prior to becoming an MLA, I had grave concerns about the way the Business Credit Corporation deals with loans. Since becoming a Member and dealing with the loans forgiveness and write-off bills and business plans, my concerns are even stronger.

**MR. SPEAKER:**

Mr. Miltenberger, your time is up.

**MR. MILTENBERGER:**

I seek unanimous consent to conclude my statement.

**MR. SPEAKER:**

The Member is seeking unanimous consent to continue. Are there any nays? There are no nays. Please continue.

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Mr. Speaker, through the standing committees and the work of the House, I will be looking for improvements in the way the Business Credit Corporation conducts its business. In our current financial situation, this government cannot afford to allow loans to be written off when there is a

chance they can be collected. We also need to ensure that we make the best use of business and loan dollars that we have. Thank you.

**MR. SPEAKER:**

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

Member's Statement On Concerns Re Social Problems Affecting NWT Families

**MR. KRUTKO:**

Thank you, Mr. Speaker. I would like to say a big thank you to all the mothers out there. Happy Mother's Day.

--- Applause

My statement today is with regard to the cutbacks of the government and changing the way we govern ourselves. We also have to keep in mind exactly who we represent and who will be hurt. As we all know, many aboriginal communities and families over the decade have had battles as a result of alcohol and drug abuse leading to violence, sexual abuse, child abandonment and abuse, as well as suicides of our young people.

Families from the communities have been taken away to short-term treatment programs in Edmonton or been incarcerated for violence. That was the solution of the past. We have to face the reality and help the family, as a whole; the grandparent, the parent, the child, the infant and the next generation. What we do today will have an effect on who pays tomorrow. We can deal with this problem today

by dealing with the problems of our small communities and deal with the outstanding questions of alcohol abuse, violence, sexual abuse and child abandonment.

Suicides in the 1970s and 1980s have been high in the smaller, isolated communities. We need to look at the effort being made by the Gwich'in by instituting the Gwich'in healing camp. This is the first facility in Canada, especially an aboriginal organization, who has taken this problem on to deal with this problem with the family unit. Mr. Speaker, I seek unanimous consent to continue.

**MR. SPEAKER:**

Thank you. The honourable Member is seeking unanimous consent to conclude his statement. Are

there any nays? There are no nays. Please conclude your statement.

**MR. KRUTKO:**

Thank you, Mr. Speaker. The government has to allow the communities, the aboriginal organizations and people in general to deal with these problems on a different scale. We have to look at it in the context of family, not as a cost measure of individuals. I mentioned there were 220 people who went through the program last year; 50 per cent of those people were non-Gwich'in and they came from native and non-native populations. With that, I would like to ask the Members to support me on this initiative. I will be asking the Minister a question on this later on.

--- Applause

**MR. SPEAKER:**

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

Member's Statement On MACA Minister's Visit To High Arctic

**MR. BARNABAS:**

(Translation) Thank you, Mr. Speaker. I rise today to express my thanks. First, I would like to say that I really appreciated the people of Arviat. They really welcomed us. I really enjoyed the dogteam ride. I would like to thank Joe Manik who gave me his winter clothing for the ride. I would also like to recognize a lot of the singers who we enjoyed watching. There were a lot of singers there. (Translation ends)

I would like to express my thanks to the Honourable Manitok Thompson for taking time out of her busy schedule to visit Resolute Bay and Grise Fiord on April 16th to 18th. The highlight of her visit, Mr. Speaker, was the official opening of the new hamlet offices and council chambers. For years, the hamlet council and staff have operated out of the old community hall and government offices. Up till now, council had to use the small entrance of the government offices for its council meetings, setting up tables and chairs and then taking them down after each meeting. Now that the hamlet council has taken on more responsibilities for delivering community services and is actively working on taking more responsibilities, I believe that it is very appropriate that the council and its staff finally have a proper place to meet and work.

I am very pleased that the honourable Minister and her officials were there to celebrate this happy event with local

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residents and also that she took time to meet with the mayor and hamlet council to discuss their desire for a covered outdoor rink, community access roads and land administration. I am also very pleased that Ms. Thompson was able to visit Canada's northernmost community. In Grise Fiord, following a community tour...

**MR. SPEAKER:**

Mr. Barnabas, your time is up.

**MR. BARNABAS:**

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

**MR. SPEAKER:**

The honourable Member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Please conclude your statement, Mr. Barnabas.

**MR. BARNABAS:**

Thank you, Mr. Speaker. In Grise Fiord, following a community tour, we met the council and discussed street lights, erosion protection, an enclosed outdoor rink and the fencing of the lake. The hamlet also suggested that with hamlets expected to take on even more powers through community transfers and community empowerment, the Legislature should consider changing the eligibility requirements for council to permit hourly employees, but not management employees of the hamlet council, to be able to run for office.

Mr. Speaker, I thank the Minister and her officials for coming to my constituency. I think this is the best way to find out what is going on. Also, on behalf of local artists, I want to especially thank Ms. Thompson for not being able to pass a crafts workshop without buying something. Thank you, Mr. Speaker.

--- Applause

**MR. SPEAKER:**



Thank you. I would like to remind Members, when you make your Member's statement, please stay with one subject per Member's statement. Mrs. Thompson.

Member's Statement On Mother's Day

**HON. MANITOK THOMPSON:**

(Translation) Thank you, Mr. Speaker. I rise today to appreciate our mothers. Yesterday was Mother's Day. I would like to thank the mothers of Nunavut and my mother, who prays for her children often to do well. This has always been the case growing up. My mother always remembers her sons-in-law, daughters-in-law and children in her prayers. I am very proud to have her for my mother. (Translation ends)

I would also like to take this opportunity to thank Mrs. Rena Thompson, my husband's mother, who has been willing to support Tom and I. We love her very much and we appreciate her. I would just like to take this opportunity to recognize all mothers who have done such a great job of having babies and all these men. Thank you to all the mothers in the Northwest Territories. Thank you.

--- Applause

**MR. SPEAKER:**

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

Member's Statement On Mother's Day Osteoporosis Walk/Run

**MR. HENRY:**

Thank you, Mr. Speaker. On Sunday, May 12th, the Stanton Regional Hospital, in cooperation with Arctic Runners' Club, the Yellowknife Seniors' Society and the YWCA held a Mother's Day osteoporosis walk/run.

The purpose of this event was to raise awareness and funds for the crippling disease of osteoporosis, which is a serious health issue for many women. Regular physical activity is a key preventative step which women can take against this disease. Approximately 130 men, women and children and dogs walked or ran the 10-kilometre course and returned back to the Stanton Regional Hospital, where the Lion's Club supplied a barbecue. The Lion's Club also funded a jazzy T-shirt, which all participants received with their registration fee. Many local businesses sponsored this event through donations of food, prizes, gift

certificates and other forms of support. Funds were raised through registration fees and pledges. While the total is not yet in, several hundred dollars is expected which would be shared between the Osteoporosis Society of Canada and education and awareness programs at Stanton Regional Health Board.

I have been informed that there are still wonderful T-shirts available at a cost of \$10. That will be a donation to osteoporosis and they can be obtained from Stanton Regional Hospital. Thank you, Mr. Speaker.

--- Applause

**MR. SPEAKER:**

Item 3, Members' statements. Mr. Roland.

Member's Statement On Health Warning Labels On Liquor Bottles

**MR. ROLAND:**

Thank you, Mr. Speaker. I would like to make a brief Member's statement on my recent trip to Ottawa. On May 9th, I took part in a presentation on the health warning labels on liquor products. I travelled down to Ottawa with the deputy minister of the Department of Safety and Public Services as well as the senior coordinator, Alan Downe. We made a presentation to the Standing Committee on Health, regarding the health warning labels. They were looking forward to our presentation because we are one of the only two jurisdictions right now who put labels on the liquor products.

Mr. Speaker, it's an important area that I believe we should, as a territorial government, send an example forward to the rest of Canada. There were questions on the effectiveness of the labels on their own. Mr. Speaker, I believe it's not just the labels on their own that should be looked at, but it should be part of a package on the awareness of alcohol. I would be looking for support from the rest of the Members here in trying to pursue this in the way we can as a territorial government. Thank you, Mr. Speaker.

--- Applause

**MR. SPEAKER:**

Thank you, Mr. Roland. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. O'Brien.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize a businessman and member from Arviat, Mr. George Kuksuk. George is the recently-appointed director of the Workers' Compensation Board and is also vice-president of the Arviat Development Corporation.

--- Applause

**MR. SPEAKER:**

Thank you. Item 5, recognition of visitors in the gallery. Item 6, oral questions. Mr. Roland.

ITEM 6: ORAL QUESTIONS

Question 201-13(3): Results Of NWTAM Annual General Meeting

**MR. ROLAND:**

Thank you, Mr. Speaker. In light of changes that have been happening throughout the Territories regarding communities, I would like to direct my question to the Minister of Municipal and Community Affairs. I'm interested in what has been happening to date with the results from the NWT Association of Municipalities' meeting that occurred in Inuvik in the last month. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Minister of Municipal and Community Affairs, Mrs. Thompson.

Return To Question 201-13(3): Results Of NWTAM Annual General Meeting

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. The NWTAM's 1996 AGM was held in Inuvik, March 28th to 31st. They passed a total of 37 resolutions. Eighteen of those resolutions were directed to MACA. The department and the NWTAM jointly maintain a tracking list which is being developed now. The deputy minister has asked the president of the NWTAM, His Worship Mayor Dennis Bevington, for a meeting to discuss the resolutions and other matters suggested legislative review. A

date has not been set yet for this meeting, but we are dealing with all the resolutions that were connected to our department. Thank you.

**MR. SPEAKER:**

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

Question 202-13(3): Premier's Discussions With DIAND Minister On Northern Accord

**MR. OOTES:**

Thank you, Mr. Speaker. Among the resolutions passed at the NWT Association of Municipalities was one in support of the northern accord. The resolution was that the Minister of DIAND devolve the responsibility for the jurisdiction and control of subsurface resources from the Government of Canada to the GNWT in the form of a northern energy and mineral accord. The people of the NWT need the tools to exercise full control and ownership over northern jobs, northern land and northern resources, in order to ensure that the benefits of resource development will accrue to the people of the NWT. My question is for the Premier. I wonder if he could tell us if he had an opportunity

to discuss the northern accord with the Minister of Northern Affairs on the weekend.

**MR. SPEAKER:**

Thank you. Mr. Premier.

Return To Question 202-13(3): Premier's Discussions With DIAND Minister On Northern Accord

**HON. DON MORIN:**

Thank you, Mr. Speaker. On the northern accord, I did not speak to Mr. Irwin specifically on that issue. We spoke on many other issues. Most issues concerned Nunavut and transition, leading up to Nunavut on April 1, 1999. I have spoken to him before. I have received correspondence from the Minister. He's in agreement to appoint a negotiator to negotiate with this government on the establishment of the northern accord for the Northwest Territories. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Ootes.

Supplementary To Question 202-13(3): Premier's Discussions With DIAND Minister On Northern Accord

**MR. OOTES:**

Thank you, Mr. Speaker. I wonder if the Premier could advise us what his timing may be on this process, and give us a little more clarification on the process.

**MR. SPEAKER:**

Mr. Premier.

Further Return To Question 202-13(3): Premier's Discussions With DIAND Minister On Northern Accord

**HON. DON MORIN:**

Thank you, Mr. Speaker. As the Member well knows, the aboriginal groups in the Northwest Territories -- especially those in the Western Arctic -- raised many concerns in the previous consultation rounds of the northern accord with the previous government. The number one issue of process is to meet with our aboriginal partners and start talking to them and addressing the concerns they had with this government taking control of northern resources and putting them in the hands of northern people. In talks I've had with aboriginal groups or aboriginal leaders, what I find is that the majority are in agreement with having northern control of northern resources in the hands of northerners; it's just how we reach those agreements that is yet to be figured out. We were waiting until the Aboriginal Summit had their leadership meeting here in this great hall. They've had that now, and fairly soon we'll be corresponding with them to see what direction we're going to take as a government to move ahead to get northern control of northern resources in northerners' hands. Thank you.

**MR. SPEAKER:**

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

Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the youth inhalant abuse treatment program funding agreement will expire on June 30, 1996. This program serves the entire NWT and it targets Inuit and aboriginal youth between the ages of 12 and 17. Currently, Mr. Speaker, there is a waiting list of 10 youth who have been referred from across

the Territories. My question is for the Minister of Health. Has this government reviewed this most-needed program to ensure funding will continue and that the program will not close on June 30th? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Minister of Health and Social Services, Mr. Ng.

Return To Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, we're aware of the termination of funding by Health Canada on this youth solvent abuse program. At this time, we're reviewing some of the options within the department to see about the possibilities of maintaining it. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Picco.

Supplementary To Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, this very important program funding will close on June 30th, which is a short six weeks away. I wonder if the Minister can tell us what the early indications are of getting the funding necessary to continue in this program.

**MR. SPEAKER:**

Thank you. Mr. Ng.

Further Return To Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, it wouldn't be gaining funding to fund the program, it would be looking at reallocating resources from the existing departmental budget. One of the things we're looking at is exactly how much money is currently being spent for sending adolescents down south for the same type of program, to be able to sustain a program within the Northwest Territories or the possibility of diverting

some money from some of the adult programs to make sure that this funding is available for the others. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Picco.

Supplementary To Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I know the Minister of Health is looking at it to make sure that this program continues. What's the percentage of the costshared factor of this program with the federal government? Is it cost-shared 60/40, or 70/30 or is it 100 per cent funded by the territorial government? Thank you, Mr. Speaker.

**MR. SPEAKER:**

The honourable Minister of Health and Social Services, Mr. Ng.

Further Return To Question 203-13(3): Federal Funding For Youth Solvent Abuse Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, from my understanding, this is a 100 per cent federal

program as it stands now. It is a pilot project that was initiated in March of 1993. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mrs. Groenewegen.

Question 204-13(3): Local Housing Organizations Funding

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. I was most interested in the Minister of Housing's report on the local housing organizations' funding model in his Minister's statement. I have a number of questions for him. Would there be a correlation between those communities that were running in a deficit situation and the economic conditions in those communities?

**MR. SPEAKER:**

Thank you. The honourable Minister Arlooktoo.

Return To Question 204-13(3): Local Housing Organizations Funding

**HON. GOO ARLOOKTOO:**

Mr. Speaker, I'm not sure if I understood the question correctly, but the funding formula is based on an average of several prior years of funding that the association had received from the corporation.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mrs. Groenewegen, supplementary.

Supplementary To Question 204-13(3): Local Housing Organizations Funding

**MRS. GROENEWEGEN:**

Thank you. In this statement, it indicates that there were LHOs who were operating their programs and were running in a deficit, and there were those who were generating a surplus. I'm asking on the communities that were running their programs in a deficit, is there a connection between those deficits and the economic conditions which exist in those communities.

**MR. SPEAKER:**

Thank you. Honourable Minister Arlooktoo.

Further Return To Question 204-13(3): Local Housing Organizations Funding

**HON. GOO ARLOOKTOO:**

Mr. Speaker, as I understand it, the way the deficit funding arrangement worked is that the associations were reimbursed for the costs they incurred, and that any savings that were different from previous year's costs were returned to the Housing Corporation. I am not exactly sure of the answer to the question, so I can get that information and get back to the Member.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mrs. Groenewegen.

Supplementary To Question 204-13(3): Local Housing Organizations Funding

**MRS. GROENEWEGEN:**

Thank you. I thought that was notice, so I thought that was the end of the line. Would the Minister know if the deficit that the housing associations were operating at, would that take into account such things

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as the \$6 million in back rent owed to local housing authorities?

**MR. SPEAKER:**

Thank you. The honourable Minister of Housing, Mr. Arlooktoo.

**HON. GOO ARLOOKTOO:**

Mr. Speaker, I will take that question as notice.

**MR. SPEAKER:**

Thank you. The honourable Minister is taking the question as notice. Item 6, oral questions. Mr. Krutko.

Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question is to the Minister of Health and Social Services, Mr. Ng. As I stated in my opening statement, this is the first time in Canada that an aboriginal organization has taken an independent approach to the healing process by constructing their own facility and developing a program using their own resources. This is the first facility in Canada designed to take in families. As I mentioned in my statement, one of the biggest problems we seem to have in the area of social services and education is with regard to the family being able to, as a family unit, deal with the problem of alcoholism, drug abuse, sexual abuse and other issues. Will the Minister agree to fund this program, similar to funding any other program for treatment centre operations you have to date in the North?

**MR. SPEAKER:**

Thank you. Minister of Health and Social Services, Mr. Ng.

Return To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to applaud the Gwich'in for their initiative. I've spoken to the honourable Member about this initiative on numerous occasions. The department has been able to provide a contribution arrangement to help the Tl'oondih Healing Camp to offset some of their operational costs. We must recognize, Mr. Speaker, that within the Inuvik region there already is a core-funded alcohol and drug treatment facility which this government provides and has provided some substantial contributions towards over the past years. There are some regions within the Northwest Territories to date that don't have those services available in their region. Thank you.

**MR. SPEAKER:**

Thank you. First supplementary, Mr. Krutko.

Supplementary To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**MR. KRUTKO:**

Thank you, Mr. Speaker. As the Minister stated, you do fund other programs in the region. I will use an example of the Delta House which you funded in the range of \$634,000; yet, you are contributing to the Tl'oondih Healing Camp \$300,000 which is not really core funding; it basically comes from the non-insured health benefits program which is a federal program. So these resources are not coming directly out of the government's pot. You're saying, because there is a program that exists today that you will not fund the Tl'oondih healing program?

**MR. SPEAKER:**

Thank you. Mr. Ng.

Further Return To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I'm not saying that we won't fund the Tl'oondih healing program; they are receiving contributions from the department. With respect to the non-insured health benefits funding that we receive from the federal government and administer on their behalf, our contributions also go towards the other treatment centres within the Northwest Territories from that funding as well. Thank you.

**MR. SPEAKER:**

Thank you. Second supplementary, Mr. Krutko.

Supplementary To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**MR. KRUTKO:**

So, the only funding available to them is the non-insured health benefit funds which are basically for status Indians and Inuit. So you're saying you will not fund Metis and non-native people to take this program.

**MR. SPEAKER:**

Thank you. The honourable Minister of Health and Social Services. Mr. Ng.

Further Return To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I did not say that. I recall from what I have said to the honourable Member in the past on this particular issue, with respect to Metis health benefits and their eligibility to have programs available to them, that it was something I was going to look into and advise the Member accordingly.

Thank you.

**MR. SPEAKER:**

Thank you. Third supplementary, Mr Krutko.

Supplementary To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question was that the \$300,000 that you have mentioned does come from the federal government fund which you are administering, which is non-insured health benefits which have been established for status and non-status people. My question is basically with regard to the Metis issue, so I'm asking you now where those funds will be coming from for the additional funding you're looking at.

**MR. SPEAKER:**

Thank you. Minister of Health and Social Services, Mr. Ng.

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Further Return To Question 205-13(3): Funding For Tl'oondih Healing Camp Program

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, any funds that will be appropriated towards treating NWT -residents no matter what descent -- would come from the department's budget. So it wouldn't necessarily matter to me as to where the funding was being derived, it's where the money is being spent that is the factor here, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Thank you. Item 6, oral questions. Mr. O'Brien.

Question 206-13(3): Formula Financing For Nunavut

**MR. O'BRIEN:**

Thank you, Mr. Speaker. My question is directed to the Minister of Finance, Mr. Todd. What form of negotiations will take place for the gross expenditure base for Nunavut, as a result of our meetings in Arviat this past weekend? Are there any new developments on this?

**MR. SPEAKER:**

Thank you. Minister of Finance, Mr. Todd.

Return To Question 206-13(3): Formula Financing For Nunavut

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I just drafted a letter to Natsiq Kango, who is the secretary-treasurer for NTI, indicating I will be in Iqaluit next weekend and would like the opportunity to sit down and discuss with her how, as partners in this process, we can move forward and work out the formula or a partnership for discussions with the federal government. My office is currently working with Mr. Martin's office to seek some time with him, hopefully this week or next week. I would suspect that once that meeting is concluded and my discussions with Ms. Kango I will be in a better position to advise the House of the appropriate process we would use to move forward on trying to achieve two gross expenditure bases. One thing is clear: that we must move quickly. I've sort of set a time line of some time in June for the discussions to take place. Hopefully, at least by the fall, at the very

least to have concluded an appropriate ongoing process for the two partners -- GNWT and NTI -- to be working with the Department of Finance to work out an appropriate formula for the two new gross expenditure basis for 1999. Thank you.

**MR. SPEAKER:**

Qujannamiik. Item 6, oral questions. Mr. Enuaraq.

Question 207-13(3): Review Of Chiropractic Services As Insured Services

**MR. ENUARAQ:**

(Translation) Thank you, Mr. Speaker. During this past weekend, one of my constituents came through from Inuvik. The person I'm talking about has very severe back pains and apparently didn't have any support. While he came through Yellowknife, he was able to go see a chiropractor. He indicated to me that that really helped him. (Translation ends)

My question is to the Minister of Health. Could the Minister tell this House of the progress he has made on reviewing whether these services should be included in our NWT medicare plan? Thank you.

**MR. SPEAKER:**

Thank you. Minister of Health and Social Services, Mr. Ng.

Return To Question 207-13(3): Review Of Chiropractic Services As Insured Services

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, as I committed previously in this House, I asked the department to undertake a feasibility study to see the appropriateness of having chiropractic services as an insured service. To date, I haven't heard back or requested an update on that matter, but I will since it has been brought up again. I will ask the department to provide me with the most current information on the status of that and advise the Member accordingly. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Enuaraq.

Item 6, oral questions.

Supplementary To Question 207-13(3): Review Of Chiropractic Services As Insured Services

**MR. ENUARAQ:**

Mr. Speaker, I know there are a lot of doctors and experts in the Department of Health. I believe that many doctors do not believe that the chiropractors can really help. I would like to ask the Minister if he can make sure that the department is getting advice on this question, not just from doctors, but also from ordinary people who know the value of these treatments. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Minister of Health and Social Services, Mr. Ng.

Further Return To Question 207-13(3): Review Of Chiropractic Services As Insured Services

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, since this became an issue in this Assembly, I undertook to have some consultations with private citizens, with Members of this House, with chiropractors themselves and also with physicians, and I agree that there is a wide spectrum out there of some people who think that chiropractic services are very valuable and an essential service, and others who think that chiropractors are not a valued service. So I recognize that and I'll take it under advisement. Thank you.

**MR. SPEAKER:**

Thank you. Mr. Minister, are you taking the question as notice?

**HON. KELVIN NG:**

Sorry, Mr. Speaker, I took it under advisement. Thank you.

**MR. SPEAKER:**

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

Question 208-13(3): Problems With Arctic Bay Community Freezer

**MR. BARNABAS:**

(Translation) Thank you, Mr. Speaker. I have a question directed to the Minister of Education, Culture

and Employment, Mr. Dent. I was notified today and I have received a letter regarding a problem in my community of Arctic Bay. The community freezer is 20 years old. Last summer this community freezer broke down and the food products that were being sold by the HTA ended up spoiling because of that. I would like to ask the Minister of Public Works about this problem in Arctic Bay. Thank you.

**MR. SPEAKER:**

Mr. Arlooktoo.

Return To Question 208-13(3): Problems With Arctic Bay Community Freezer

**HON. GOO ARLOOKTOO:**

(Translation) I was just informed about the problems they're having with the community freezer and I will advise my officials to check into this further and to fix the freezer.

**MR. SPEAKER:**

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

Question 209-13(3): Community Funding For 1996-97

**MR. ROLAND:**

Thank you, Mr. Speaker. My question will be directed to the Minister of Municipal and Community Affairs. I would like to know if the communities have been given notice or direction as to the amount of funding they will be receiving in the next year. Thank you.

**MR. SPEAKER:**

Thank you. Minister of Municipal and Community Affairs, Mrs. Thompson.

Return To Question 209-13(3): Community Funding For 1996-97

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. Reductions to community funding were identified in the department's business plan, reviewed by the Legislative Assembly Standing Committee on Infrastructure. The standing committee recommended several additional reductions and one of them was water/sewage subsidy program funding that has been capped at 1994/95 expenditure levels

of \$9.8 million. It used to be \$12 million. Capital expenditures have been reduced by \$6.8 million for 1996-97. If the Member would like additional information, we will be doing the estimates this month. So the detailed questions can be answered then. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Roland.

Supplementary To Question 209-13(3): Community Funding For 1996-97

**MR. ROLAND:**

Thank you, Mr. Speaker. Can the Minister tell me if there has been a percentage across the board to the different communities? Is it fluctuating? Thank you.

**MR. SPEAKER:**

Minister of Municipal and Community Affairs, Mrs. Thompson.

Further Return To Question 209-13(3): Community Funding For 1996-97

**HON. MANITOK THOMPSON:**

There has been a one per cent reduction in the hamlet and settlement funding formula. Thank you.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Roland.

Supplementary To Question 209-13(3): Community Funding For 1996-97

**MR. ROLAND:**

Thank you, Mr. Speaker. Could the Minister inform me what reduction has taken place in the taxation areas?

**MR. SPEAKER:**

Minister Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. I will take that as notice.

**MR. SPEAKER:**



Thank you. Item 6, oral questions. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Mr. Ootes.

**MR. OOTES:**

The next one.

**MR. SPEAKER:**

Item 10, replies to Budget Address. Mr. Ootes.

**ITEM 10: REPLIES TO BUDGET ADDRESS**

Mr. Ootes's Reply

**MR. OOTES:**

Thank you, Mr. Speaker. Rather than speaking with a lot of descriptive rhetoric, let me cut right to the chase. For those of us who were new to the Legislative Assembly last fall, we had a big learning curve to go through. We had to become familiar with our roles as MLAs, while at the same time absorb -- or swallow -- thick books of financial and other data in a short space of time. We quickly realized that the government faced a tangled economic problem that needed to be unravelled. We agreed to the establishment of three standing committees in the envelope areas of infrastructure, social programs and resource management to address our concerns.

This new committee structure permitted all ordinary Members to selectively participate in the review of departmental business plans. So six months after our first meeting, we are now considering Mr. Todd's first budget. Mr. Todd tells us that he projects the deficit this year to be \$150 million if spending cuts are not introduced. He has explained that this projected deficit has come about because federal government transfers of \$90 million. The remainder of the deficit is caused because of overexpenditures by this government; \$37 million alone in the forced growth areas of the social envelope departments of Health, Social Services and Education.

It is important to note that Mr. Todd will not balance the budget this year. Mr. Todd has stated that the budget he has laid before us for the 1996-97 fiscal year will result in a \$43 million deficit. So on April 1st next year, we will have

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increased our accumulated debt to \$86 million. For me, Mr. Todd has not made eliminating the deficit a

firm enough target; not this year and not in the next three years. The truth is, we will be going into the two new territories with an accumulated debt of at least \$86 million if we follow Mr. Todd's plan. In my opinion, only a balanced budget this year would set the stage for the annual surpluses in the coming years that would allow the government to address an enduring problem.

The NWT Chamber of Commerce is also of this opinion. The chamber has sent a letter to Premier Morin with copies to all MLAs, stating that in dealing with the government's current financial situation, it is the considered opinion of the board of directors of the NWT Chamber of Commerce that every effort should be made to present a balanced budget for 1996/97. In other words, get rid of the projected 1996-97 deficit of \$150 million completely this year. The letter continues: "Dealing with the accumulated debt would be done in the following two years. Only under extreme circumstances should it be stretched over two years." The NWT Chamber of Commerce also urges the Legislative Assembly to ensure that there be no accumulated debt left by 1999.

When the substance of the deficit elimination plan is analyzed, for me, it is wrong. Optimism can often hide an unhappy truth and so, for me, it is here with the deficit. I am afraid we will have a tough time wrestling the debt to the ground if we allow it to grow this year. There are several things to remember if we have to cut the budget substantially next year. It will not be as easy or as simple as what we will go through with this budget before us now. In all likelihood, we will see further downsizing of the federal transfer payments because of reduced budgets in Ontario and Quebec; perhaps in the neighbourhood of another, hypothetically, \$20 million or \$30 million.

A decision is imminent by the federal Supreme Court on the Fair Practices Act. This could also present a substantial liability possibility to the territorial government. Therefore, I would venture to say that our deficit for the coming year could conceivably rise from \$43 million to \$80 million and, therefore, our accumulated debt could reach \$120 million at this time next year.

I made a commitment to my constituents during the election campaign that I would push to have the complete debt eliminated by the time we go into the new territories. Our top priority should be to restore the North's finances so that there is no debt to worry about. Then we can work on economic recovery and diversification. In order to do this, we need to consult

the public and to seek the input of experts. We can do that through a taskforce; a taskforce to look at job creation, to examine measures to resuscitate the North's ailing economy and to study how to reform the North's social network. This taskforce should be coordinated by one central chair with membership from this House and membership from the public. This taskforce could also coordinate with the Premier's Advisory Panel on the Economy.

Their combined report should be placed before a three-day socio-economic summit from which we would emerge with

a clearer picture of where we are going socially and economically. This taskforce should be turned loose to examine, review and make recommendations in a variety of directions. We need to review the economy -- to consult the private sector -- find out what these people see as priorities and opportunities; what they see as their obstacles to growth. We need to review the proliferation of the territories' boards and agencies and how they could be streamlined, merged with other groups with the ultimate goal to save dollars.

The taskforce could talk to the front-line program deliverers of this government. It is my understanding that many of the front-line workers have not been consulted about where possible cuts can be made to streamline government operations.

The real rise in the cost of operating this government is in the social envelope area. The social envelope departments of Health and Social Services, Education, Culture and Employment, Justice and the NWT Housing Corporation account for 60 per cent of this government's spending. We should study these cash guzzling departments. After all, the government's role should be to get people out of the safety nets that we have, so they can integrate themselves into the emerging economy of the North. Taking this first step into this economic self-sufficiency is the hardest. We need the government to take the crutches away and help people get jobs and economic opportunities.

The government's role is multi-fold. It is to improve the health and lifestyle of its people. This task is monumental. In order to bring about large-scale, social, economic reform, we must create jobs for people. We must, in turn, improve the revenues of this government so, in turn, this would help people get out of the safety nets.

In order to create jobs quickly in the territories, we need mega projects. There are many great economic opportunities possible in our territory. What is that emerging economy? It is mining. Let me give you an example. BHP is proposing to establish a mine which will employ 600 people to start with and, when fully operational, employment will be up to 850 people.

Just south of the BHP project is the Dia Met project where Kennecott Canada and Aber Resources are developing a similar size project. That means employment potential of approximately 1,600 to 2,000 people. There will be an equal number of spin-off jobs; potentially 4,000 jobs for two mines.

Also, we have tremendous oil and gas potential in the southern parts of the Mackenzie Valley and on the Arctic islands. Forestry is another resource we can take advantage of. I was pleased to see in Mr. Todd's statement, emphasis in his Budget Address that the NWT is open for business. However, I do feel that previously this was not the message the mining industry was getting. I support the mining industry with the proviso that they provide jobs and business opportunities to the maximum extent for northerners, no matter how challenging that might be.

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The northern accord is the only means by which we can replace the revenue dollars we are losing from the federal government. I fear, however, that the federal government has already tasted the \$100 million plus in royalties it can collect from the diamond mines. I doubt very much that the federal government would be willing and easy to give up its royalty shares. However, I am supportive of the efforts to negotiate this situation out and it is ultimately very important that we get the aboriginal groups onside in this endeavour.

We must continue to aggressively pursue a beneficial resolution to the northern accord negotiations. We have a decade of opportunity before us. Let's take advantage of it.

---Applause

**MR. SPEAKER:**

Thank you, Mr. Ootes. Item 10, replies to Budget Address. Item 11, petitions. Mrs. Groenewegen.

ITEM 11: PETITIONS

**MRS. GROENEWEGEN:**

Mr. Speaker, I would like to present Petition No. 16-13(3) dealing with the matter of the MLA report on compensation. Mr. Speaker, the petition contains 155 signatures and, Mr. Speaker, the petitioners' request: "We, the undersigned, request that the MLA compensation benefits package be publicly debated and resolved." Thank you.

**MR. SPEAKER:**

Thank you. Item 11, petitions. Mr. Krutko.

**MR. KRUTKO:**

Thank you. I would like to table Petition No. 17-13(3), it has 26 names and is with regard to the request for the review of the MLA compensation package, public debate and resolution.

**MR. SPEAKER:**

Thank you. Item 11, petitions. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. I would like to table two petitions. The first is Petition No. 18-13(3) and is with regard to the MLA compensation report, which contains 118 signatures: "We, the undersigned, request that the MLA compensation package be publicly debated and resolved."

The second petition, Petition No. 19-13(3), is with regard to naming of the Western Territory. This petition contains 268 signatures and, Mr. Speaker, the petitions request: "in the matter of a petition to the governments of the Northwest Territories and in the matter of a petition to the Government of Canada by the residents of the western portion of the Northwest Territories.

We, the undersigned, hereby petition the governments of the Northwest Territories for the Western Arctic after division in 1999. The designation has served the North and western portions of Canada throughout our modern history and carries with it that history and international recognition of which we, as residents of the Northwest Territories, are justly proud.

Further, we believe that any change in this designation will result in needless expenditure, discord and international isolation. The Northwest Territories is our home and we want it to remain as such." Thank you.

**MR. SPEAKER:**

Thank you. Item 11, petitions. Mr. Barnabas.

**MR. BARNABAS:**

(Translation) Thank you, Mr. Speaker. I would like to table Petition 20-13(3), regarding ... (Translation ends) ...eight signatures. Mr. Speaker, the petitioners are teachers and staff from the Allurut School in Nanisivik and Umimtak School in Grise Fiord and Inuujaq School in Arctic Bay. They request that the MLA compensation and benefits package be publicly debated and resolved. Thank you, Mr. Speaker.

**MR. ROLAND:**

Thank you, Mr. Speaker. I would like to present Petition No. 21-13(3), dealing with the matter of the MLA compensation report. Mr. Speaker, the petition contains 41 signatures and, Mr. Speaker, the petitioners request: "We, the undersigned, request that the MLA compensation package be publicly debated and resolved." Thank you, Mr. Speaker.

**MR. SPEAKER:**

Merci. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Mr. Miltenberger.

**ITEM 14: TBLING OF DOCUMENTS**

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. I would like to table Tabled Document 41-13(3), a letter from Freund Building Supplies to the Honourable Stephen Kakfwi with regard to very specific recommendations and concerns to the business incentive policy. Thank you.

**MR. SPEAKER:**

Thank you. Item 14, tabling of documents. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Speaker. I would like to table Tabled Document 42-13(3), which outlines the Tl'oondih healing program; special reading for Mr. Ng.

**MR. SPEAKER:**

Thank you. Item 14, tabling of documents. Mrs. Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. I would like to table Tabled Document 43-13(3), Finding the Right Balance: Options for Changing Land Development Practices.

**MR. SPEAKER:**

Thank you. Item 14, tabling of documents. Before we move on to item 15, I would like to remind Members that tomorrow is the last day for replies to the Budget Address. Thank you. Item 15, notices of motion. Item 16, notices of motions for first reading of bills. Item 17, motions.

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Speaker's Ruling

I have reviewed the Motion 6-13(3) and must rule that this motion is out of order. In ruling this motion out of order, I am required to communicate to the House the reasons why this motion is being ruled out of order. It is ruled out of order because what it tries to accomplish is contrary to our rules, and I quote Rule 23(c): "in debate, a Member will be called to order by the Speaker if the Member persists in needless repetition or raises matters which have been decided during the current session;

And further, Rule 23(f) "In debate, a Member will be called to order by the Speaker if the Member reflects upon any previous vote of the Assembly except for the purpose of moving that it be rescinded."

In ruling this motion out of order, I would also like to draw your attention to citation 558(1) of Beauchesne's Parliamentary Rules and Forms (6th edition), and I quote:

"An old rule of Parliament reads: That a question being once made and carried in the affirmative or negative, cannot be questioned again but must stand as the judgment of the House. Unless such a rule were in existence, the time of the House might be used in the discussion of a motion of the same nature and contradictory decisions would be sometimes arrived at in the course of the same session."

Members will recall that on Thursday, March 29, 1996, the chairman of Committee of the Whole reported that consideration of Tabled Document 1-13(3), The Report of the Commission on MLA Compensation, was concluded. The House, in formal session, concurred with this judgment by adopting the motion on the report of the chairman of Committee of

the Whole. As a result, consideration of the Report of the Commission on MLA Compensation cannot take place at this session unless otherwise ordered.

I thank you for your attention, I trust this clarifies my decision. Thank you.

Item 17, motions. Motion 7-13(3), Public Disclosure of Contracts and Public Sector Salaries. Mr. Picco, Member for Iqaluit.

ITEM 17: MOTIONS

Motion 7-13(3): Public Disclosure Of Contracts And Public Sector Salaries, Carried

**MR. PICCO:**

Thank you, Mr. Speaker.

WHEREAS the Government of the Northwest Territories is responsible for the expenditure of public funds provided to them under the appropriation authority of the Legislative Assembly;

AND WHEREAS the Government of the Northwest Territories has a responsibility to be fully accountable for the manner in which funds are expended;

AND WHEREAS the responsibility for accurately reporting the expenditures of public funds lie with the Government of the Northwest Territories;

AND WHEREAS certain expenditures of the Government of the Northwest Territories are not available publicly;

NOW THEREFORE I MOVE, seconded by the honourable Member for Yellowknife Centre, that this Legislative Assembly requests the Executive Council to consider amending the Financial Administration Act to require the reporting in the Public Accounts of all sole-source and negotiated contracts in those amounts of \$5,000 or more in a fiscal year;

AND FURTHER, that the Executive Council table on an annual basis a list of all contracts entered into by the Government of the Northwest Territories in those amounts of \$5,000 or more in a fiscal year;

AND FURTHERMORE, that the Executive Council consider introducing legislation that would require the public disclosure of the salary and benefits paid in respect of employment in the public sector to employees who receive remuneration of more than \$100,000 a year.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you, Mr. Picco. The motion is in order. To the motion. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, over the past several days, people have asked me why I was trying to get the negotiated and sole-source contracts tabled in this House. Mr. Speaker, I was asked who was I trying to get, what company was I trying to implicate. There could be nothing further from the truth, Mr. Speaker. I believe that public money spent by this government should be accountable to the people. I think that the residents of the NWT should know what contracts were let, why and how much. Accountability, Mr. Speaker, accountability. When the facts are on the table, then and only then can informed debate take place.

Transparency, Mr. Speaker, transparency. How often have I heard it in this House? When the public and MLAs have access to a list of sole-source and negotiated contracts, the people of the NWT will be able to judge if particular projects or, for that matter, purchases were done at a premium.

During my election campaign -- it's right here, Mr. Speaker, in one of my pamphlets -- I said that, as a first step, more accountability and public disclosure from all levels of government is needed. That was back in September, Mr. Speaker. Mr. Speaker, this is not a witch hunt or a vendetta, this is money spent by a public government and given that it is public government, it has to be accountable to the public.

If it is not public, then where there are no collusions or favouritism, some people might perceive this as so. Other jurisdictions in this country publish said information. Although we are in a fiscal crisis in the NWT, can we not

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afford the few dollars it will cost to publish the requested information?

Mr. Speaker, what Member in this House will say no to the public who want to see this, the 13th Assembly, doing government differently? That is why we were elected and that is why I have moved this motion. Accountability and transparency in the way this government does business will show the people of the

NWT that the 13th Assembly is accountable and transparent.

I would request that all Members of this House respect the wishes of the public and publish all sole-source and negotiated contracts as moved in the aforesaid motion. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. To the principle of the motion, Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Speaker. I guess it is a matter of accountability and it's a matter of public interest to me that we do publish sole-source contracts that are over \$5,000, and information on it, and salary levels over \$100,000. I believe that this will bring forward a better system of government for us. It's accountability to the public and it will rid us of any speculation that the people may have that we're not transparent. So, I'm the seconder and I fully support the motion. Thank you.

**MR. SPEAKER:**

Thank you, Mr. Ootes. To the motion. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. While I realize that this is a motherhood and apple pie kind of issue that very few people would want to publicly vote against, I just have some concerns about process. This is a fairly important kind of motion which would reflect how we want to do business. Granted, we want to have as much debate as possible in the House, 1, personally, have a problem with motions that are put on the floor. There's a notice of motion given, but there was no significant discussion in committee or anywhere else that I'm aware of, except maybe up and down the halls upstairs.

Mr. Speaker, we are in the process of reviewing the Access to Information Act which this, to me, would fall under and has direct bearing. So, while I have no problem with the intent of this motion, I would encourage that if we're going to do this with motions of this magnitude, we have more discussion and not just limited to the very formal process in the House where you can speak once. Then once that's done, it's over. It would be a shame for something like this to die without proper discussion and having it fit into our overall plans as a Legislature. Thank you.

**MR. SPEAKER:**

Thank you. To the principle of the motion. Mr. Picco, you have the right to have the right to have the last stand on your motion.

**MR. PICCO:**

Thank you, Mr. Speaker. I do have the right of last reply, and I would call for a recorded vote at the proper time. Mr. Speaker, we rushed some bills through this House and there probably wasn't enough debate. One of the knocks on this Assembly is that we don't do things in a

public forum. If you want to debate this motion, we can stand up and debate it right now. I don't see any need to have further discussion outside the House. If we want to do some public debate, let's debate it right now here in public and let the people decide. It's only a simple motion, Mr. Speaker, on should we be tabling contracts, should we be tabling contracts negotiated and sole-source for this government. I don't see any problems with that.

--- Interjection

**MR. PICCO:**

Yes, we are. We have them, I see them. I see them over here, look, but can you tell me which ones are sole-source and which ones are negotiated? I don't see them, Mr. Speaker, and that's my point.

I have a right to last reply, debate is not over and I can speak to the reply. I request a recorded vote and I would thank my colleagues for giving me the opportunity.

**MR. SPEAKER:**

Mr. Miltenberger, point of order.

**MR. MILTENBERGER:**

Mr. Speaker, maybe it's more a point of clarification. Once the mover speaks twice, is that it for any further debate or question for people speaking to the motion?

**MR. SPEAKER:**

I have gone around the House to see if there were any further comments to the motion. There were none, so I have called the mover of the motion to make the final stand on the motion. That applies to the rules of the House. The honourable Member is

seeking a recorded vote. All those in favour of the motion, please rise.

Recorded Vote

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

Mr. Picco, Mr. Ootes, Mrs. Groenewegen, Mr. Steen, Mr. O'Brien.

**MR. SPEAKER:**

Thank you. All those against the motion, please rise. All those abstaining, please rise.

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

Mr. Evaloarjuk, Mr. Barnabas, Mr. Enuaraq, Mr. Krutko, Mr. Rabesca, Mr. Roland, Mr. Miltenberger, Mr. Erasmus, Mr. Henry, Mr. Ng, Mrs. Thompson, Mr. Antoine, Mr. Kakfwi, Mr. Morin, Mr. Todd, Mr. Arlooktoo, Mr. Dent.

**MR. SPEAKER:**

Thank you. The result of the vote is five in favour, zero against and 17 abstaining. The motion is carried.

--- Carried

Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Bill 8, An Act to Amend the Income Tax Act; Bill 11, Appropriation Act, 1996-97; Committee Report 1-13(3), Standing Committee on Government Operations Report on the Review of the 1996-97 Main Estimates; Committee Report 2-13(3), Standing Committee on Infrastructure Report on the Review of the 1996-97 Main Estimates; Committee Report 3-13(3), Standing Committee on Resource Management and

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Development Report on the Review of the 1996-97 Main Estimates; and, Committee Report 4-13(3), Standing Committee on Social Programs Report on the Review of the 1996-97 Main Estimates, with Mr. Steen in the chair.

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

**CHAIRMAN (Mr. Steen):**

I will call the committee to order. We left off on the main estimates on Wednesday, May 8th, with program summary, Education, Culture and Employment. I wonder if the committee would like to finish this off before we continue on, or would you like to take a break first. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. I would propose a 10-minute break.

**CHAIRMAN (Mr. Steen):**

Thank you. Does the committee agree we take a 10-minute break?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

We will take a 10-minute break then, when we return, we'll start on page 14-11, operations and maintenance, program summary, Education, Culture and Employment.

--- SHORT RECESS

Bill 11: Appropriation Act, 1996-97

Department Of Education, Culture And Employment

**CHAIRMAN (Mr. Steen):**

I will call the House to order. We will be dealing with Bill 11, program summary, Education, Culture and Employment. Operations and maintenance, total operations and maintenance ... I'm sorry, I apologize to the Minister. Mr. Dent, would you like to bring in witnesses?

--- Ringing of bells

I recognize a quorum. We are on program summary, Education, Culture and Employment, operations and maintenance, page 14-11. I had asked the Minister, Mr. Dent, if he would like to bring in witnesses.

**HON. CHARLES DENT:**

Yes, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Does the committee agree that the Minister bring in his witnesses?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Sergeant-at-Arms, please escort in the witnesses.

Mr. Dent, would you like to introduce your witnesses?

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. On my left, I have the acting deputy minister of the department, Mr. Eric Colbourne; and, on my right, I have our director of finance and administration, Mr. Paul Devitt.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. We are on operations and maintenance, total operations and maintenance, \$257.895 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Steen):**

Mr. Barnabas.

**MR. BARNABAS:**

Mr. Chairman, unfortunately, I had to leave Committee of the Whole due to a medical problem, so could I ask you to let me make some general comments and ask some questions?

**CHAIRMAN (Mr. Steen):**

Would the committee agree to return to general comments? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

We have agreement to return to general comments. Mr. Barnabas.

## General Comments

### **MR. BARNABAS:**

(Translation) Thank you, Mr. Chairman. (Translation ends) ... its budget covers everything from schools to social assistance. I have some general comments.

I am pleased that education still seems to be a priority for this government, even in this time with less money. I was pleased to learn of the Minister's early childhood intervention initiative and also of the money that will be spent on developing a workforce is also welcome. I refer to initiatives such as Investing in People and community grade extensions. Also, Mr. Chairman, I'm pleased that the Department of Education will make greater use of technology in their operations to bring education even closer to home in our remote communities.

As was announced in Mr. Todd's budget speech, we know that grants to the divisional boards of education will be reduced at a time when people are expecting more. I am grateful that in the Baffin region the board is not in a deficit position, so they will have an easier time coping with reducing funding than other boards that have a deficit. We understand that class sizes will have to be larger.

I have several questions about these reductions. For example, in my region, I am in full support of the Minister's directive to offer high school programs in every community; however, I understand from the Baffin Divisional Board of Education that they believe it will be impossible to provide counsellor positions along with community grade extensions. With fewer teachers available in the coming year, it is no longer possible for the boards to reallocate existing positions. I'm sure that the Minister and his officials agree that if we are to extend high school grade levels in the communities,

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we should equip them with the tools necessary to do the job. Personal counselling is essential for many high school students to succeed. I would like the Minister to respond to this concern: If there are plans to extend grades in the communities, will there be enough money to be allocated, even in these difficult financial times, to do the job properly? If not, I think we should expect our divisional board to carry out this goal and the Minister's directives should be revised. Has this problem been anticipated in the budget which is before us?

### **CHAIRMAN (Mr. Steen):**

Mr. Barnabas, right now, we had the committee's approval to return to general comments. If you have questions on specific items, then we will ask the committee to return to those items. But at the present time, we should limit ourselves to general comments. I will allow this particular question but, in the future, that's how we should conduct ourselves in order to proceed through this budget. Mr. Dent.

### **HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, the school financing funding formula does include one-time funds for the start-up of a new grade in a school. As well, the enrolment figures would kick in once the students are enrolled. There is also a portion of the funding formula which relates to provision of school counsellors. This is a numeric formula, based on the full-time enrolment within the school. So it's the same for boards across the Northwest Territories. The number of counsellors that are funded are set by the enrolment, multiplied by the figure in the formula for school counsellors. I recognize that the requirement of the boards to get by with less than what they would have had, had the formula not been changed, put some pressure on boards. There's no question that all of the boards across the Northwest Territories are going to have to work in different manners to address the needs of the students. We are still hopeful, that in spite of the reductions to boards, we will be able to see adequate counselling services provided. But there's no question, the Member is right that the reductions will make it difficult to achieve the levels of counsellors that the old formula would have. Thank you, Mr. Chairman.

### **CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Do you have further comments, Mr. Barnabas?

### **MR. BARNABAS:**

Mr. Chairman, I would also like to ask about the funding for forced growth. Our region has a very high rate of natural population growth. I would like to ask whether there has been an allowance built into the board funding formulas for forced growth if there's no allowance for forced growth in regions like the Baffin where the student population is growing fast. I am concerned that the board may be faced with no other alternative but to reallocate funding to teaching positions which would otherwise be used for



programs and materials development. It would be very unfortunate if the implementation of important projects like the Inuuqatigiit culture curriculum was to be put on hold because we are short of teaching positions in the Baffin due to forced growth. Is there provision for forced growth in this budget? If not, will the Minister have access to supplementary funding from the Financial Management Board to deal with forced growth in the regions where student populations are growing, such as the Baffin?

I would also like to ask about funding for community-based teacher education programs. We have made good progress in recent years. The goal in the Baffin is to have 85 per cent Inuit teachers and principals. In my opinion, this is the key to offering quality instruction in Inuktitut.

I would also like to ask the Minister of Education, Culture and Employment, will they be able to continue to fund these important community-based programs in the coming school year at the same levels as before.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Barnabas. We seem to be directing questions towards items on page 14-11 again, total operations and maintenance. I'll ask the Minister to answer those questions if he could.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. The new formula is based on enrolment as of October 31, 1995, in the year prior to the current year; so each year, the formula does, in fact, represent whatever the school populations are. If the school population grows by more than eight per cent over what was projected, then the divisional boards can come back to the department and request supplementary funding for that portion which is above eight per cent. If there's less than eight per cent in forced growth, then they are expected to cover that within their budget, and that doesn't represent a change from previous years. The formula has changed, so the dollars that the boards see will be different.

On the Member's other question about the teacher education program, we are planning this year to expand the TEP in the Nunavut region to Coral Harbour; this fall, the program will be offered there. There is no question, as times get tougher and as money becomes more and more difficult to find, that the boards in the Nunavut region and the college will have to come together and look for ways to make

sure that they use the funding more efficiently. We are going to have to put together funding for things, perhaps, like teaching and learning centres, college funding and the community-based programs, but I think that, with some innovative work by the board of Arctic College and the divisional boards, there may be room to find the economies that would allow us to continue to offer the programs in more locations throughout Nunavut. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Do you have further questions, Mr. Barnabas?

**MR. BARNABAS:**

(Translation) Mr. Chairman, I apologize. I do have a number of questions that I have concerns with. I am not challenging you, Mr. Chairman.

I do have a question concerning social development, as well. (Translation ends)

It's hard to get people off social assistance, but not everyone can work. Some are old, or handicapped, or suffering from alcohol and drug problems. The question I would like to ask the Minister is if the department is making any progress in helping people who are on social assistance to get off welfare. I believe that the pilot project started last year is trying to help people get off of welfare through training. Will those projects take place, and what are the results?

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**CHAIRMAN (Mr. Steen):** Thank you, Mr. Barnabas. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. The department is currently working on a redefinition of income support which will be presented to Cabinet and committee in June, and hopefully it will involve a revamping of all of the ways we deliver income support to try and provide a continuum of support, depending on the needs of the person we are dealing with. I suspect that the Member is referring to the Investing in People and Northern Skills Development program when he talks about pilot projects which have been aimed at helping people get off of social assistance and into situations where they can make productive choices and, if he is, we have several examples of people who, using those programs or following those programs, have managed to find themselves jobs or managed to go into

business for themselves. I know of one situation in which a person who was involved in one of those programs is now going into business for himself and has employed three other people who were taking the course at the same time. So I think we do have some examples of success. We have a strong program, and I wish we had more money in order to make sure that it would proceed. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Mr. Barnabas.

**MR. BARNABAS:**

(Translation) Thank you, Mr. Chairman. (Translation ends) About social assistance rates, Mr. Chairman; if there were lots of jobs in places like Arctic Bay, I would encourage all my constituents who are on social assistance to go to work, if it were available. However, there are not enough jobs to go around. So my constituents must depend on social assistance, even if they would rather not.

Mr. Chairman, in September 1992, the Standing Committee on Health and Social Services of this Assembly made some strong commitments about social assistance food allowance rates. The Special Committee noted that, even though the 1992-93 budget included a five per cent increase in food allowances for people on welfare, even with that increase, people in the NWT on welfare are still only getting about 60 per cent of what they really need to properly feed their families. Mr. Chairman, that situation has not changed since 1992. I suspect it has only gotten worse.

I feel like repeating what the Special Committee on Health and Social Services asked when they tabled their interim report in September 1992. The committee, through its chair, Mr. Dent, wondered where social assistance clients are to get the funds to make up for the average 40 per cent shortfall between what the food allowance covers and the cost of a basic diet for their families. The committee also pointed out that the rate for the food allowance did not reflect the different costs of living in our communities.

The 1991 food price survey found that there were big differences in the cost of food. It was suggested that a food allowance should be given out in a way that recognizes that costs are much higher in some communities than others. What was recommended by the committee was more than just tinkering. The committee suggested that there should

be a major overhaul. The committee also suggested that more use could be made of country food, by helping people to hunt, than by educating people about making better use of the country foods.

Mr. Chairman, I would like to ask the Minister if he recalls these recommendations. Am I correct that the food allowance rates have not increased since 1992? Finally, I would like to ask the Minister if he has any plans for a review of the food allowance rates, and if he has any plans to better match those payments to the actual cost of living in the communities. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Barnabas. Mr. Dent, I believe there are three questions there.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. The Member will be pleased to know that Alzheimer's has not yet set in and I do remember my committee making those recommendations. What I should say is the whole revamping of the income support program will take into account all of the things that the Member has brought up. How successful we will be at achieving the sort of equity that we're hoping for will, of course, be something that we'll have to demonstrate in this House when Members take a look at the new program. I'm hoping we will be able to demonstrate that the program can be offered across the Northwest Territories in a fair and equitable manner.

The Members should be aware that we're under significant pressure to try and live within the amount of money that we have in this budget. We will have to take a look at some of the options that will be presented to Cabinet and to committee as to how do we proceed. In the past, the food basket value has always been set on the understanding that people would supplement what they could buy at the store with country food. That has, in the past, been a constant underpinning to the setting of the food basket rates. How much of that we'll see in the new program once it's presented to Cabinet and committee next month, I can't say at this point in time. But the Member can be assured that while we're taking a look at redefining the program, all of the recommendations that have been made in this House will be kept in mind. We will then have to demonstrate to Members that we've followed through as much as possible, when we present that new plan. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Mr. Barnabas.

**MR. BARNABAS:**

(Translation) Thank you, Mr. Chairman. I would just like to notify the Minister of Social Services...We don't have any freight, except by air, that comes in. Even though we live in the High Arctic, we don't live as high in the Arctic as Grise Fiord. I'm aware that food costs up there are a lot greater than in our community. I just wanted him to be aware of that. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Barnabas. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. I think the cost of living in the various communities throughout the North will be one factor that will be taken into account in the

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redesign of the income support programs of this government. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Are there any further questions or comments? Mr. Barnabas.

**MR. BARNABAS:**

Thank you, Mr. Chairman. I have no more questions. Thank you.

**CHAIRMAN (Mr. Steen):**

Are there any further questions or general comments? I think we're still on general comments since nobody has suggested we move back. Mr. Krutko, do you have general comments?

**MR. KRUTKO:**

Thank you, Mr. Chairman. My comment is with regard to the budgets that are allocated to divisional boards or even local authorities for assisting people with disabilities, especially for wheelchair access, people who need alternative modes of getting from the schools to their residence. Is that part and parcel of all those budgets that are considered in the development of these budgets? You mentioned there's a formula that you use. Is that part of the formula that you

establish, or do you only assist in those areas where the need is most? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. The costs for providing inclusive schooling are part of the overall formula. Each board is compensated on the same basis, based on enrolment, through the formula. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Mr. Krutko.

**MR. KRUTKO:**

So what you're saying is that an individual has to be enrolled prior to the school year starting. What if someone comes in the middle of the year? Are there funds available for assisting an individual who may be disabled and who may have moved there prior to registering themselves in the fall?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, the funding to boards is based on prior year's October 31st enrolment. So something that happens in the middle of a school year is typically not reflected in their funding. For instance, as I was mentioning to Mr. Barnabas a few minutes ago, enrolment growth up to eight per cent must be provided for from within by the board. So it's only if the enrolment grows by more than eight per cent that the board can come back to the department and ask for supplementary funding in that year.

The problem is, of course, if a board has made a commitment to provide a service throughout the school year and somebody moves to a different region, the board that's losing that student may not easily be able to transfer the resources. It's difficult to make the resources move any more quickly than what we can through the formula, based on the prior year's enrolment.

It's felt that, given the amount of money that is included in each board's budget for inclusive schooling, they should be able to react to situations that occur on a case-by-case basis because it doesn't happen very often. Something really costly doesn't seem to happen very often, in our experience. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Mr. Krutko.

**MR. KRUTKO:**

I thought the whole principle of schooling was that you had the right to educate everyone; it didn't matter what disability, sex or whatever. I will use myself as an example. I have a son who is in a wheelchair who moved to Fort Norman, and he has not attended school for eight months because they did not have the ramps at the school to allow him into that institution. So now he is being housed out of Inuvik, out of the hospital there, because that's the only facility that's within the Inuvik region. So he is basically not able to take advantage of something we take for granted, not being disabled. For instance, a ramp in a school or an elevator costs \$40,000. So are those monies accessible to be moved from one project to another project for the essential needs there?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Usually, the department will provide, if necessary, the capital funds to make the required changes to schools. My officials are telling me that this is a situation that they have not heard about. Perhaps we could get the details from the Member and look into it, because, typically, the capital cost of that sort of change is something that the department does provide.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Dent. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. I would like to suggest that we go back to program summaries. It's our fourth day on this department, and I think general comments should be pretty well included.

**CHAIRMAN (Mr. Steen):**

With the agreement of the committee, we will move back to program summary, page 14-11, total operations and maintenance.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Steen):**

I will ask Mrs. Groenewegen to sit in the chair.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

Okay. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chair. My question is related to the overall expenditures of this government towards preparations for Nunavut. I note, Madam Chair, that over the past few months, this government has indicated

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quite strongly that one of the goals of this Legislative Assembly is to prepare for Nunavut in 1999, and I note in the opening statement of the Minister that he refers to having made, I believe, some expenditures towards preparations for Nunavut. I wonder if he could identify for me, since he knows his budget better than I do, where in the O and M section, would we be able to identify these expenditures towards preparing for Nunavut.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. The reference to preparing for division that I believe the Member is referring to has to do with preparing Inuit for positions in the Nunavut government which would be under culture and careers, and this is where we would be taking a

look at what the options are that are available in the future for jobs and making sure that our employment training programs are then geared to provide training necessary for what we see as jobs becoming available in the future. So culture and careers is where you would find the expenditure, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chair. Could the Minister perhaps suggest what the figure would be, how much we are spending towards preparing for Nunavut, preparing for division?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. I believe that we track all the expenses within the department that might be considered the costs of division, so we could in fact provide that information. I don't have it with me today.

But I would like to point out that, by and large, the expenditures that I talked about in my opening comments were preparing or getting ready to prepare people for jobs in Nunavut, and that's as a result of knowing that there will jobs created in the civil service in Nunavut. There isn't any difference between recognizing that those jobs will be there and recognizing that there may be jobs in the mining industry and making sure that we are preparing people for jobs in mining. This one is a difficult one to say that it would be any different than any other expenditure. We see an opportunity for people in the North to get a job in a certain area, so we work to make sure that our employment training is geared towards that end.

The other cost would be, our department has helped coordinate the Inuit employment plans for other departments, but there would not be significant costs there. The other departments would probably have had more costs for their share of preparing those plans than the Department of Education, Culture and Employment. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Any further general comments, Mr. Steen?

**MR. STEEN:**

Madam Chair, I have questions. I am not making general comments right now. I have questions for the Minister as to whether or not he could identify the costs in his budget that relate directly to division or to preparations for Nunavut, which this government has been working towards. I believe, Madam Chair, that it's a good program we are doing, and I think it's good that we are working towards preparing for Nunavut, but it's one thing to say you're doing it, but it's another thing to identify the amount of expenditures that you are actually making towards the goal. That is basically what I am trying to get at. Can we identify the amount of money or expenditures that we are making towards accomplishing the goal of preparing for Nunavut in 1999?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. In this budget, I could not identify that number for Mr. Steen. I can offer to provide Mr. Steen with a listing of the departmental staff time and dollars spent historically on that, because we do track it as it takes place, but in terms of what is in this budget, I can't separate that out, no.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Steen.

**MR. STEEN:**

Madam Chair, so if someone from the public was to ask me how much we are spending towards preparing for Nunavut in the education budget, I would not be able to answer it because the Minister cannot give me a figure. Do I understand that correctly?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. If somebody were to ask what is in here in terms of the cost for division, I can't answer that question, but I can say that what we have in this budget for Education, Culture and Employment

is very, very little in terms of the extra costs for division. For instance, the acting deputy minister, when he was assistant deputy minister last summer, was given the extra duty of being responsible for the schools in Nunavut. Mr. Cleveland, in his position of assistant deputy minister, was given responsibility for schools in the western part of the Territory. We did not identify incremental funding to move Mr. Colbourne's office into Nunavut because we didn't have those incremental funds. There has been very little in incremental funding that has been spent by this department for the creation of Nunavut. What we are doing mostly involves identifying the potential for jobs in the Nunavut region, being in the civil service and making sure that the money we are spending for employment training -- which we would be spending anyway for employment training -- in that region is targeted for making sure that people are trained to work in the civil service because that's where we see the best opportunity for jobs coming up in the near term.

As I said, I could provide to the Member what we have spent in past years as incremental funding, because the department staff have been asked to keep track of their time and expenditures where they relate, on an incremental basis, to

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the cost of division. I think the Member would find that it has been very limited to date. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chair. Madam Chair, I have a community that's involved in the Nunavut area -- Holman Island -and they're listed under the Keewatin education board. I'm wondering what the Minister plans to do about preparing these people for division. At which point in time will they be shown in the western education boards, probably the Inuvik education board? Is there such a plan in place? Have you been meeting with the community or do you plan to meet with the community on that?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. Madam Chair, we have not had any indication from the community that they would like to switch in the near future from one board to another. At the present time, we understand that they prefer dealing with the Kitikmeot board. Once the new Education Act is in place, it allows for significantly more local control. In the near future, after that act comes into place, the department will contact the community and discuss where they want to go in the next few years and how they want our assistance to get there. Thank you, Mr. Chairman.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Madam Chair. I understand there have been some recent graduates from Aurora College in the adult education certificate program. I was wondering what that designation entitles people to, if they receive that certificate.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Erasmus. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. I understand that it's a certificate that would allow them to be adult educators in college facilities throughout the Territories.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Madam Chair. Are there any plans to give the bearers of these certificates any special designations, such as teachers having to get certificates in order to teach? Would this be some type of thing that would happen, as well, in the adult education area?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Erasmus. Mr. Dent.

**HON. CHARLES DENT:**

Could I ask for some clarification on that question, Madam Chair?

**CHAIRPERSON (Mrs. Groenewegen):**

Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Madam Chair. Regularly, teachers need teaching certificates in order to teach in the Northwest Territories. Are we moving along those same lines in the adult education area?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Erasmus. Mr. Dent, does that clarify the question for you?

**HON. CHARLES DENT:**

Thank you, Madam Chair. We're in the process of consulting to develop an adult basic education program policy. We are certainly taking a look at the issue that the Member alludes to; but until this process is a little further along, I can't tell him for sure where we're going. The goal of the consultation is to develop standards and guidelines for effective program delivery and to project future demands and resources. I think the Member is talking about ensuring that we have adequate resources to provide the training in the future. The plan is to have this consultation and the recommendations concluded by September of this year.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Madam Chair. I know the current adult education certificate program only has courses every six months, four months or whatever. It's kind of a haphazard way and it takes you years to achieve your certificate. If we're serious about getting community people better educated so they can have better jobs and to take over the jobs in their communities, it seems to me that we would have a full-time adult education certificate program, whether it's in Fort Smith or Iqaluit or Rankin Inlet or Inuvik. I would like to know if this is in the works.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Erasmus. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. One of the goals of the consultation will be to determine the need for people

with this kind of training. If the need is demonstrated to be there, then the Member is right, we'll have to look at providing the course in a more comprehensive manner. That will be one aspect that will be looked at.

The other aspect is going to be what is the potential for graduates from this course to find employment. That will also have a bearing on how often the course is provided. It all ties into a workplace strategy that this government must have which identifies the potential for jobs and the best way for us to make sure that northerners can get those jobs. I think we're doing our best to move towards that in a cohesive and comprehensive way. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Are there any further general comments? If not, would the committee like to return to page 14-11, program summary, Education, Culture and Employment?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

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**CHAIRPERSON (Mrs. Groenewegen):** Operations and maintenance, total operations and maintenance, \$257.895 million. Total capital, \$36.905 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

Total expenditures, \$294.8 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chair. I have a question on total capital and it is the same question I had on total O and M. I would like the Minister to possibly identify or make a statement regarding whether or not there are any expenditures here for the preparation of Nunavut.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Madam Chair. Not in the capital of this budget.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Dent. Total capital, \$36.905 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

Total expenditures, \$294.8 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

Does the committee concur that we have concluded the Department of Education, Culture and Employment?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRPERSON (Mrs. Groenewegen):**

I would like to thank the Minister and his witnesses. I will turn the chair back to Mr. Steen.

--- Applause

Department Of Economic Development And Tourism

**CHAIRMAN (Mr. Steen):**

We are now on the Department of Economic Development and Tourism with Mr. Kakfwi. I will invite the Minister to make his opening comments on the department's estimates.

Minister's Introductory Remarks

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Chairman. Today marks my first budget address to you as Minister of Economic Development and Tourism. Some time over the next year, and likely within six months, the Department of Economic Development and Tourism, Renewable Resources and Energy, Mines and Petroleum Resources will be combined into a single, new department responsible for all facets of economic development.

As you can see within the budget papers, the Department of Economic Development and Tourism has a budget of close to \$39 million for 1996-97; 78 per cent of this amount is for operations and maintenance. The relatively small capital budget of \$8 million is targeted into two areas:

- 38 per cent towards tourism parks and visitors' centres; and,
- 62 per cent towards community and business capital assistance.

The Budget In Brief

Compared with last year, we have cut O and M spending 11 per cent and capital by 14 per cent. Within the capital budget, the entire reduction was made from within the parks and visitors' centres allocation; our commitment to capital assistance for businesses remains constant with last year. Even with this reduction, however, we still managed to develop a comprehensive development program for tourism facilities and capital projects are being planned in every region.

In terms of cuts, the single largest reduction is associated with the sunseting of the EDA or economic development agreement. The department's current share of the EDA budget, almost \$5 million, will be applied to alternate community development initiatives.

Other reductions, as applied to divisions within the department, include a 13 per cent drop in the directorate resources; 10 per cent reduction in policy and planning; nine per cent cut in the Business Credit



Corporation budget; 19 per cent overall to parks and visitors' centres; and, four per cent reduction in the tourism marketing budget.

All news is not negative, however, as these reductions were used to offset major increases in the corporate and technical services budget -- 29 per cent, most of which is directed at the regional level -- as well as a small increase in the finance division's budget.

Overall the resources at our disposal are relatively small; around three per cent of the government's O and M budget. At the same time, the department is asked to deal with some major economic problems. Right now, our unemployment rate is one of the highest in the country, and it's not going to improve without significant effort. All our young people ask is the same chance we had, an opportunity to make a safe and secure future for themselves and their children.

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Where are these jobs going to come from? To be sure, there will be opportunities in government, but these will be limited. Most of these jobs will have to be created outside government. While this will be a significant challenge, we do enjoy some unique advantages. Mr. Chairman, there are real and tangible benefits we can build on: abundant mining resources and likely the first major diamond mine in North America; significant oil and gas deposits; one of the largest reserves of timber in Canada; abundant fish and wildlife; a unique and clean environment; one of the lowest overall tax rates in Canada and no sales tax; and, relatively close proximity to major tourism and export markets in Canada and the United States.

#### Defining The Vision

Taking advantage of these opportunities requires careful planning. Like any business plan, this planning process starts with a vision or goal. In this case, I believe we all share the same vision. A vision of the NWT where jobs and businesses are created in every community and region. A vision of an economy where resources, both renewable and non-renewable, are responsibly developed to create jobs and opportunities; the new technologies of the information age are applied to selling NWT products and services throughout the world; northern businesses have access to the tools and assistance needed to take advantage of new opportunities, locally and

internationally; and, where people have the skills to realize their potential.

Mr. Speaker, if defining the vision is the first step, developing strategies to get us there is the second. While parts of this strategy are reflected in the current budget, one of our priorities is the development of a new comprehensive economic policy framework.

A "framework" goes beyond identifying jobs or opportunities in each sector. It looks at new ways of stimulating the economy and creating a favourable climate for business and investment growth. It will look at cutting red tape, promoting the development of new processes and markets, supporting community-based, rural development and it will look at ways of streamlining government.

In short, we are planning a comprehensive, action-oriented approach; one which will provide the focus, programs and structure for the combined Department of Economic Development and Tourism, Renewable Resources and Energy, Mines and Petroleum Resources.

#### A New Spirit Of Cooperation

People from small communities are realists. They know what opportunities will work, and which are a waste of money. If we are going to succeed at regional development, I firmly believe we need to adopt new tactics for dialogue and partnership and we need to practise listening to the concerns of business and people.

In this case, we don't need professional advice or to look south for inspiration. We already have successes to build on, like the "Kivalliq" project being implemented right now in the Keewatin, for example. This is a new partnership jointly developed by ED&T, Sakku Investments and community futures.

Before its creation, local people complained that business assistance programs were confusing and difficult to access, especially for people in smaller communities. The overlapping mandates of these programs discouraged people and wasted time. Paperwork seemed to create a mountain that people couldn't climb. On top of it all, the system was slow and cumbersome. People lacked faith in the process and opportunities went undeveloped.

Something had to be done. Together with clients and communities, a strategy was developed for a one-window approach to development. All agencies

involved, including our department, Sakku and community futures pooled their resources and committed themselves to work as partners. We now have a single application and review process. Assistance turn-around time has improved. Complaints are way down and business starts have increased. Just the simple sharing of support staff, offices and computer equipment enabled us to do more with less. This is a "winwin" situation.

#### Getting Communities Involved

While Kivalliq provides the model for regional development, we also need to focus on community delivery. Over the past few years, we have made significant progress in transferring positions and authority to communities:

In the Baffin, positions have been transferred to the local level in Cape Dorset and Sanikiluaq;

In Inuvik, seven communities deliver economic development services directly or through contract;

Negotiations are nearing completion on the transfer of responsibility to four communities in the Kitikmeot; and, two communities are currently negotiating in the Keewatin.

Transferring responsibility for business and economic development to communities allows them to tailor development spending to local needs and priorities. At the same time, potential businesses are provided with a single development window within the community. Business licence applications, development approvals and start-up assistance are all processed by the same authority. I can say at this time that I am committed to community devolution and will actively pursue further transfers to communities.

The department is working with the Inuvialuit Development Corporation to create a "development library" on CD-ROM; currently, we have scanned over 1,000 economic and

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business studies. These range from the feasibility of berry farming through to strategies for maximizing aboriginal benefit from mineral development. Instead of sitting in a dusty library, we plan to put these studies and reports to work, at the community level where information is needed. Over the current year, copies of the library will be available through the Inuvialuit Development Corporation.

We can also increase our effectiveness by cooperating with the provinces, especially within tourism. By marketing the NWT with Alberta, for example, we can increase the appeal of both destinations. Tourism market research is another area for cost sharing. We recently participated with the four western provinces and Yukon to undertake a major review of the US market. Since the cost of the study was shared according to each region's tourism market and since our market is very small compared to a province like British Columbia, the department's share of this \$200,000 study was only \$5,000.

#### Building A More Efficient Department

Efficient program delivery will be one component of the new economic strategy. As a department, we are proceeding on this front in a number of areas. First, we have made a commitment to privatize our existing territorial parks function over the coming year. Once again, this will give local people increased opportunities to participate and benefit from local projects. A process and timetable for the privatization of parks will be developed over the coming year.

Tourism marketing is another area where we are building efficiencies. In the past, the department funded up to eight zones to market each destination area while, at the same time, undertaking an overall NWT campaign. With our limited marketing budget -- the lowest in Canada -- this fracturing of marketing limits our effectiveness. To be frank, most potential tourists don't know where the NWT is, let alone the Arctic Coast or Big River zones. In a recent survey of the northwestern States, Angus Reid found a very low awareness of the NWT as a destination; less than one per cent. To improve our performance, we have moved decisively to combine the eight existing market zones into two: Nunavut and the Western Arctic.

While there is a role for government to play in promoting the NWT as a tourism destination, we want to get the tourism industry more involved. Over the next year, we plan to devolve marketing authority directly to these two new marketing agencies. This will ensure a marketing program sensitive to the industry needs.

#### Applying New Technologies

Mr. Chairman, I firmly believe the Internet is going to change the way we do business in the NWT. It offers us an unparalleled opportunity to overcome our major impediment: distance. On the Internet, it is the same distance to Australia as Yellowknife and it costs the

same to communicate to either location. The potential for marketing tourism, arts and crafts, services, products and other services, or simply sharing development ideas, are unparalleled.

#### Conclusion

Mr. Speaker, I have attempted to outline some of our vision for the future. Some of the new directions I have outlined today are just the beginning. Over the coming year, we will consolidate Economic Development and Tourism, Renewable Resources and Energy, Mines and Petroleum Resources into a single, new department. This will improve our cost effectiveness while ensuring increased services over difficult budgetary times. Shifting some of the decision-making to regional and community bodies will ensure that local priorities are funded and that funds are used more effectively. The economic framework will focus a variety of strategies into a common goal: job creation.

Overall, I am excited about the future and about my responsibilities for this department. More businesses mean more pay cheques, more pride and independence and less dependence on government resources. It means a better future for us all. Thank you.

#### **MR. STEEN:**

Thank you, Mr. Kakfwi. For the record, we are in Committee of the Whole, so it should be Mr. Chairman and not Mr. Speaker. I would now invite Mr. Ootes from the Resource Management and Development committee for comments on the department.

#### Standing Committee On Resource Management And Development Comments

#### **MR. OOTES:**

Thank you, Mr. Chairman. It is my pleasure to present the comments of the Standing Committee on Resource Management and Development. In light of the proposed amalgamation of the departments of Energy, Mines and Petroleum Resources, Economic Development and Tourism and Renewable Resources, the standing committee has some comments that relate to all three departments. I will first read those general comments and then present the standing committee's specific comments regarding the individual departments as they appear before Committee of the Whole.

Energy, Mines And Petroleum Resources, Economic Development And Tourism And Renewable Resources Committee Members feel that these three departments are revenue generators. Not only can these departments

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stimulate the NWT economy and create numerous job opportunities, but they can also provide the GNWT with significant amounts of revenue.

#### Northern Accord

The committee recognizes the importance of this initiative and strongly recommends that the government give finalization of such an agreement a high priority. Further on this issue, Members were concerned about the reporting relationship of the deputy minister of Energy, Mines and Petroleum Resources. It was noted that the Premier, the Honourable Don Morin, was responsible for the northern accord. As such, the deputy minister of EM&PR is responsible to the Premier for the northern accord, but is responsible to Minister Kakfwi on all other EM&PR issues.

#### Amalgamation

In reviewing these three departments, the committee noted obvious areas of overlap, duplication and inefficiency; by combining separate finance policy and directorate divisions, consolidation should offer immediate savings. In addition, program areas such as parks will offer long-term savings through increased efficiency.

Based on this, the committee recommended that the government proceed with consolidating the departments of Renewable Resources, Energy, Mines and Petroleum Resources and Economic Development and Tourism. Consistent with this mandate of the committee, it was further recommended that the committee be involved throughout the entire process. To that end, the committee recommended that the government adhere to the following time lines: March 31, 1996, preliminary amalgamation plans; June 1, 1996, detailed action plan for consolidation; March 31, 1997, complete amalgamation of both headquarters and regional levels.

Committee Members are encouraged by the government's move to appoint a single Minister and deputy minister responsible for consolidation and by

the consolidation framework document provided March 29, 1996. Members look forward to future meetings and are hopeful that the open-door atmosphere initially created by the Minister will continue.

Mr. Chairman, that concludes the general comments of the Standing Committee on Resource Management and Development regarding the three departments of Economic Development and Tourism, Energy, Mines and Petroleum Resources and Renewable Resources.

I would now like to present the specific comments of the standing committee on the Department of Economic Development and Tourism.

NWT Development Corporation

During its initial review of Economic Development and Tourism's business plan, the committee recommended that the O and M budget for the NWT Development Corporation be reduced by \$200,000. The department responded that only \$100,000 could be cut at that time. The committee

accepts this reduction but feels that additional cost savings exist in this area. To that end, Members are looking forward to the next round of business plan reviews where additional cuts to the overhead and administration costs of this corporation can be reviewed.

To assist the committee in evaluating the budget, business plan and operation of the NWT Development Corporation, officials from the corporation will be provided a detailed briefing to both the new Minister and the committee. This briefing, tentatively scheduled for late summer 1996, will allow both the committee and the Minister to review the corporation in detail.

Other Reductions

The committee also supported cuts to the mineral initiatives program, the forest fire management program and the economic development agreement, as well as reductions in capital spending and staffing costs from the departments of ED&T, EM&PR and Renewable Resources. Thank you, Mr. Chairman.

**MR. STEEN:**

Thank you, Mr. Ootes. I would now invite Mr. Kakfwi to invite his witnesses in. Perhaps we could take a five-minute break. Is that agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

--- SHORT RECESS

**CHAIRMAN (Mr. Steen):**

I will call the committee back to order. I will ask the Sergeant-at-Arms to bring in the witness. I will ask the Minister to introduce his witnesses.

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Chairman. I have with me, on my right, the acting deputy minister for Department of Economic Development and Tourism, Mr. Doug Doan.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. I will now ask Members for general comments on the department's estimates. Mr. Roland.

General Comments

**MR. ROLAND:**

Thank you, Mr. Chairman. I have a question on the tourism end of things. Tourism, especially in the region of Inuvik, has been growing for a number of years and it has definitely been helping out the businesses in the area. I grow concerned in this time of reductions, if we're pulling back any funds in this area that we do show some growth. I would hope that, especially when we're looking at amalgamations and so on, tourism will play an important in all of this area, especially when we talk about good news to this budget if there is any good news to it. I hope we can focus on that issue. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Roland. Was there a question in there?

--- Interjection

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**CHAIRMAN (Mr. Steen):**

Would anybody else like to make comments on the department's estimates? Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. I just have some very brief comments about the economic development side relating, in particular, to loans and grants. I'm very concerned, as an MLA and based on my own personal knowledge of what goes on, at least in my riding, with making sure that whatever processes we have, whatever corporations we have set up are as politically tamper-proof as possible. In my opinion, there is a great tendency to politically influence what should be business decisions, sometimes to the detriment of wise business decisions. I think we have to remove the politics as much as possible from this economic development part of the government. We've spent, over the years, a lot of money. My own perception is that, in a lot of cases, in the old days it was almost like a big political slush fund where you could make things happen if you thought they were good or if the people were on the right side of the fence. I'm very interested in working with the new department as it develops, in this Assembly, to make sure it will become much more effective and efficient, from a business point of view, and that we're very tenacious and resolute in the recovery of bad loans and that we send a very clear message that we're here to do business. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Miltenberger. Mr. Kakfwi, would you like to respond to Mr. Miltenberger's or Mr. Roland's comments?

**HON. STEPHEN KAKFWI:**

Mr. Chairman, as Members are aware, I've been a Minister for this department since the latter part of March, so I was very interested in learning about the department and whatever views the Members have would be of great interest to me. I know that tourism is an industry that holds a lot of potential for a great many of our communities. It's a good way to generate revenue. It is seen as very environmentally safe and revenue friendly. So whatever ideas and suggestions the Members of the Legislature have in that area, ways that we can improve our performance in that sector, would be very welcome.

In the area of concerns about grants and loans, it's a new area for me, as well. I'm just becoming familiar with the nature of the Business Credit Corporation and the NWT Development Corporation. Again, whatever views and opinions Members have would interest me in that area, as well. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. General comments. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is in relation to the business development fund. There seems to be a real problem with the canvas shop in McPherson. The big concern is they're not selling the product so they can't produce any more and people have to be laid off. Is there anything being done with trying to resolve this problem by looking at other initiatives for marketing?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. If I could ask Members to make general comments on the overall estimates, then when we reach the specific items where you

have questions, we would then allow those questions unless it's included in the overall figure. Is that agreed to by the Members?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Mr. Krutko, could you save your question until we reach that item, if you have it identified in the overall estimates?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Are there any more general comments on the main estimates? If not, if Members agree, we will go through page by page. Is that agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Line By Line

Directorate

**CHAIRMAN (Mr. Steen):**

We are on page 13-12, directorate. The activity summary is directorate. Operations and maintenance, total operations and maintenance, \$3.533 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Policy, Planning And Human Resources

**CHAIRMAN (Mr. Steen):**

The activity summary is policy planning and human resources. Operations and maintenance, total operations and maintenance, \$1.186 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Business Credit Corporation

**CHAIRMAN (Mr. Steen):**

Business Credit Corporation, operations and maintenance, total operations and maintenance, \$817,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Parks And Visitors' Centres

**CHAIRMAN (Mr. Steen):**

The activity summary is parks and visitors' centres, operations and maintenance, total operations and maintenance, \$3.692 million. Oh, I am sorry. Mr. Picco.

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**MR. PICCO:**

Thank you, Mr. Chairman. On the privatization of parks, which is a strategy announced by this government, my question to the Minister: How will that be reflected in our area of the Northwest Territories where our parks aren't on road systems

and they're isolated, and how we can see a revenue generation from privatization of parks in that area? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakwi.

**MR. DOAN:**

Mr. Chairman, on the parks initiative, the way in which I would respond to that question is that we are, at present, developing a plan, and that requirements of that plan are that it reflect the mandate of the amalgamated department and that it be conducive to division in 1999 and allow for the parks to continue in a privatized state in Nunavut or in an alternate fashion.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. What does that mean, "alternate fashion"?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. You can address your questions and comments to the chair. Mr. Doan.

**MR. DOAN:**

I am sorry. Could I hear the question?

**CHAIRMAN (Mr. Steen):**

Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. My question was, you said that you are working on a strategy in the Nunavut region and that you'd be looking at an alternate plan for privatization. My question is, what do you mean by "alternate plan."

**CHAIRMAN (Mr. Steen):**

Mr. Doan.

**MR. DOAN:**

What I am trying to indicate is that the terms of reference being pursued in planning this initiative will

have to address the reality of division in 1999, so there would be no pre-commitment to a privatized parks plan post-1999.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. With the privatization of parks, what does the department feel will be the revenue generation, or the money generated, from the sale of said parks?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Doan.

**MR. DOAN:**

Mr. Chairman, the principal option being explored in this plan, which has not been concluded at this time, is that there would be an opportunity for a non-government organization to operate parks and parks-related interests, and, in so doing, would be able to pursue two forms of revenue generation: one of which would be a merchandising program, the second of which would be a fund-raising program. The intention or hope is that the plan will demonstrate that those two sources of revenue would reduce the costs of operations of parks to the government. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Further questions? Total operations and maintenance, \$3.692 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

We have detail of capital, parks and visitors' services, buildings and works, headquarters, total region, \$90,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Buildings and works, Fort Smith, total region, \$1.258 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Buildings and works, Inuvik, total region, \$670,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Buildings and works. Baffin, total region, - \$733,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Buildings and works, Keewatin, total region, \$153,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Buildings and works, Kitikmeot, total region, \$245,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total buildings and works, \$3.149 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Equipment acquisition, headquarters, total region, \$80,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed.

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**CHAIRMAN (Mr. Steen):**

Total equipment acquisition, \$80,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total activity, \$3.229 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Corporate And Technical Services

**CHAIRMAN (Mr. Steen):**

Corporate and technical services, operations and maintenance, total operations and maintenance, \$16.554 million. Mr. Roland, am I too far ahead of you? Are you speaking to this figure?

**MR. ROLAND:**

Thank you, Mr. Chairman. I would like to know what the increases are in this area, and for what purposes.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Roland. Mr. Doan.

**MR. DOAN:**

Yes, Mr. Chairman, in the corporate and technical services division, there are a number of entries which serve to increase the number. The largest significant increase is as a result of the establishment of the community initiatives program which results in a transfer of \$4.8 million to the business development fund. That particular program, community initiatives, is ostensibly the replacement for the old EDA program.

There is also a transfer from EDA to small business grants of \$300,000; a \$92,000 negative entry reflecting a community transfer initiative; a \$100,000 reduction in the business development fund, as requested by the committee, a \$125,000 reduction in the small business grants program, as requested by the committee; an overall decrease in O and M of \$198,000; a salary reduction of \$89,000; and two very small additions, which are adjustments of \$8,000 each to two community transfer initiatives.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. I will call the figure again. Total operations and maintenance, \$16.554 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Detail of capital, corporate and technical services, contributions, headquarters, total region, \$4.901 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total contributions, \$4.901 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total activity, \$4.901 million.



**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Economic Development Agreement

**CHAIRMAN (Mr. Steen):**

Page 13-20, economic development agreement, operations and maintenance, total operations and maintenance, \$650,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Finance And Administration

**CHAIRMAN (Mr. Steen):**

Finance and administration, operations and maintenance, total operations and maintenance, \$1.525 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

Tourism Development And Marketing

**CHAIRMAN (Mr. Steen):**

Tourism development and marketing, operations and maintenance, total operations and maintenance, \$2.907 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Mr. Ootes.

**MR. OOTES:**

My question is with respect to the Explorers' Guide. Mr. Chairman, is Nunavut going to produce its own Explorers' Guide and is the West also going to produce an Explorers' Guide?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Ootes. Mr. Doan.

**MR. DOAN:**

Thank you, Mr. Chairman. The Explorers' Guide has been used historically to address enquiries being generated by the marketing campaign, and that is one of the programs that has been transferred to the two new tourism organizations. My understanding is that Nunavut Tourism will be producing a document similar in intent to the Explorers' Guide, and that the Western Arctic tourism organization will similarly be producing a guide to the Western Arctic for mail-out to return marketing enquiries.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Ootes.

**MR. OOTES:**

I have a question with respect to the Yellowknife Visitors' Centre. I wonder if I could be apprised

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if that problem of funding for the Yellowknife Visitors' Centre has been resolved.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Ootes. Mr. Doan.

**MR. DOAN:**

Yes, Mr. Chairman. For the current fiscal year, the department has provided assistance to the Northern Frontier Visitors' Association. The financial problem experienced there has been dealt with. A committee has been set up which involves the city of Yellowknife, the department and the Northern Frontier Association. We will be meeting throughout the year and developing a plan for future years.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. The Western Caucus has been promoting a name-the-Western-Territory contest. Should the people decide that the new Western Territory should have a new name, how would this affect the tourism industry in the West?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, we were quite interested in the Angus Reid poll that was done recently in the northwestern United States that indicated that, of the general population surveyed, less than one per cent of the people there knew where the Northwest Territories was or even that there was such as place as the Northwest Territories. I think it's well known that most Americans do not know where Canada is, and a good percentage of them also don't know what or where it is. So it appears, based on that survey as one example, that the name is not catching. The name "Northwest Territories" has been a handle that most of us have had since 1870 and it hasn't caught on yet, so perhaps we should look for a better label to market ourselves with.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. Have we developed a plan yet to market a new name, if we do change the name?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, there is no plan at this time. As you know, the priorities are to make sure that this department's budget goes through the Legislature, that we throw our priority into the plans for amalgamation and, in June, we will be starting a whole new business plan for next year's budget. Because the suggestion of a name change for a remnant Northwest Territories is an issue, I think we will be providing some advice and observations to the public to ensure that people do not -- unless it is based on some substance and fact -- suggest that the name "Northwest Territories" is a good element of our tourism strategy. If, in fact, it doesn't make any difference, we will make that observation. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, my question for the Minister is how is the contract for the publishing, typesetting and production of the Explorers' Guide let.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I believe it will be done through either call for proposals or public tender. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, can you confirm for me that, in actuality, the Explorers' Guide went to public tender?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I believe -- at least I am told -- that last year it was done by call for proposals. I can enquire as to what the process is this year. Since these are new groups that are being organized at this time, I believe both groups are entertaining putting them out through call for proposals at the end of this year.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I guess it wasn't a public, advertised tender; it was a call for proposals. Was that a selective call for proposals to certain individual companies?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Yes.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Picco.

**MR. PICCO:**

Mr. Chairman, would the Minister now be looking at in the next production of the Explorers' Guide, to actually put it out to a public tender so maybe we could get a better price or premium?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the two tourism groups that are being organized now, that is their prerogative to decide how to engage the services of a group to produce that item. So it's not really for the department itself to suggest. Because we provide the funding, I suppose we would have some say in how contracts are awarded. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. If the Government of the Northwest Territories is providing the funds to each individual tourism group and it doesn't matter whether it's one, two or five, if it's public funds then I would expect that you would direct them that it would go to public tender

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instead of it being sole-sourced, or, in this case, a call for selected proposals. Just a general comment, I suppose.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I am not familiar with the full scope of this issue but, as a general rule, the process we use has to arrive at the same thing; which is, we give the highest priority to making sure that we contract northern-owned businesses, aboriginal-owned businesses and businesses that operate here in the Northwest Territories. Whether that is best done

through public tender or a call for proposals, I am not familiar enough with the situation to say what it is, but that's the goal. The process we use would be evaluated based on if we get to the ends that we've set for ourselves. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. I have Mr. Henry and Mr. Krutko. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. The Minister alluded to a survey that was completed by Angus Reid. Who paid for that survey?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Kakfwi or Mr. Doan.

**MR. DOAN:**

Mr. Chairman, that survey was paid for by a large number of players in the tourism industry. The cost was shared on their market share of the industry, but the total cost was \$200,000. The NWT portion was only \$5,000.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. Is a copy of that survey available?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Doan.

**MR. DOAN:**

Yes, a copy can be made available.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. Could the Minister or his officials give us a ball park figure on how much in the last five years this department spent, whether it's to third parties or whatever, in promoting the Northwest Territories in the rest of Canada and the US?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Doan or Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, we don't have the budget figures for the previous years, but we can provide that to the Member so he can get a fairly accurate idea of how much money was spent in promoting the Northwest Territories to tourists throughout the world.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. I was listening to the comments made by the Minister earlier on that survey, and I am not quite sure; would he attribute to less than one per cent of the population know where the Northwest Territories is? Is that accurate, or what was the one per cent relating to?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I understood that it was less than one per cent of those surveyed.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. Okay, let's assume that there's been on-going funds -- the Minister will apprise me of later as to the amounts -- over the past number of years attributed to promoting the Northwest Territories, and I have found a comment from the Angus Reid survey that states that it found very low awareness of the NWT as a destination; less than one per cent. I would suggest one of two things; that promotion money is potentially not being spent too well; and, secondly, if it's one per cent, there is probably as good an argument as anything that could be made to keeping NWT as the name for the new Western Territory. If we've been spending all this money and only this number of people know about it, I don't think we can afford to change and start all over again with all this money and only finish up 10 years

from now with less than one per cent knowing about us. Thank you.

**CHAIRMAN (Mr. Steen):**

I will take that as a comment rather than a question. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is with regard to marketing. There was a question about the Explorers' Guide and other materials published by this department. I would also like to see the department consider marketing products that are produced by this department, especially with regard to canvas products, fur products and seal products. They can mix it in with their tourism marketing, but also market products that we produce here in the North without having that left to an independent body Which doesn't seem to be doing a great job to date.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Kakfwi, would you like to respond to that?

**HON. STEPHEN KAKFWI:**

Yes, Mr. Chairman. The NWT Development Corporation is a corporation that's set up to try to create jobs and generate business initiatives in those sectors of our economy and our communities where there is little economic and business activity. The government, through the Development Corporation, owns some 22 businesses that have been started in a number of different areas. The Fort McPherson canvas shop is one of them. I think Northern Lumber Products, or whatever it is, is another one. What is clear to myself and the new president of the NWT Development Corporation is that marketing is the single most pressing issue that needs to be addressed by the Development Corporation on behalf of the 22 businesses that it is responsible for and owns, and it is the single most pressing issue that has to be worked on by the Department of Economic Development and Tourism with the NWT Development Corporation. So we understand the problem.

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Very simply, we have generated jobs. The jobs are creating products, but the products have no marketing strategy. There is no marketing component to the strategy we have initiated, so that is the priority right

now, and we will look to the department and the NWT Development Corporation to come up with some options for the board of the NWT Development Corporation and myself, as Minister, in the next month or so. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My point is we have a real commodity to market up here, especially when it comes to tourism with regard to arts and crafts and aboriginal cultures which associate a lot to their art and what not. I think that this department can possibly get a lot of mileage out of marketing that in this sector, because that's a sector that is basically attracted to crafts and things like that when they travel to any particular area. So if they go to a marketing tourism show, go into the States or overseas to Germany or wherever, you should also take along with you products that are developed in the North to market them along with the tourism package. I'm not trying to say that the Business Development Corporation is going to take care of this, but I think you also have to market a product; not just put a map on the wall and say come on over. You have to be able to go there and show them the lifestyle of the people, the different cultures, the different types of materials that people use for traditional clothes or whatever. But that should be associated in the strategy of ... You have a sector of almost \$2 million and something has to be tied into getting a return on that \$3 million that you have within that. That's what I was trying to get at: We should start marketing those types of products.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. I believe that's a comment. Mr. Kakfwi, would you like to respond?

**HON. STEPHEN KAKFWI:**

Yes. Mr. Chairman, we agree and I think that was the reason we organized the tourism groups into two primary zones, so there is more efficiency and focus on promoting Nunavut as a single unit and the same for the still-called western part of the Northwest Territories. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. I would call again, operations and maintenance, total operations and maintenance, \$2.907 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Details of grants and contributions, grants, \$719,000.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Contributions, \$12.314 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I'm just looking at page 13-24. I notice a lot of communities have economic development officers. What's the criteria for a community to receive an economic development officer?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. Mr. Kakfwi or Mr. Doan.

**MR. DOAN:**

Mr. Chairman, the transfers being referred to are the community transfer initiatives which have been undertaken by the department. The fundamental criteria is that the transfers undertaken have only taken place in communities where there was an EDO. Other than that, the criteria are pretty much consistent with the community transfer initiative.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Krutko.

**MR. KRUTKO:**

My question earlier was with regard to the NWT Development Corporation and also marketing. The Minister made a statement that you are looking at it with the new president of the corporation. What are you looking at with regard to marketing products that are produced by these operations you have in Fort McPherson, Aklavik and elsewhere?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, what we're looking at with the NWT Development Corporation is this problem. For instance, we've created products at the Fort McPherson canvas shop and we now have the potential to create a large number of products, but we haven't spent any time focusing on sales and marketing, how to let people know we have these products. So the new president of the NWT Development Corporation has focused on that particular issue as the single-most-pressing issue facing the Development Corporation at this time. He is undertaking to come up with some plan, first using existing staff and resources to address that problem. He will be reporting to myself and to the NWT Development Corporation board to get approval on how to maximize our marketing and sales of existing inventory, how to move things out of warehouses and also how to establish a good basis for a market. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Erasmus.

Motion To Extend Sitting Hours, Carried

**MR. ERASMUS:**

Thank you, Mr. Chairman. I would like to move that we extend sitting hours to conclude consideration of this department.

**CHAIRMAN (Mr. Steen):**

We have a motion on the floor. The motion is not debatable. All those in favour of the motion? All those opposed? The motion is carried.

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--- Carried

We are on contributions. Any further questions? Mr. Krutko.

**MR. KRUTKO:**

Yes, what's happening with this new initiative? Could the Minister keep the Resources committee informed on what the outcome of that is, so we can be kept abreast on what you're doing for marketing and also myself for McPherson, because it is a concern with regard to the canvas shop and products not moving and people having to be laid off. I think the initiative of this department is to generate employment and I think that should be the final goal. I think if it's a question about marketing, I think something is wrong if that's the case. So I would like to be kept informed on that.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, my intention is to become familiar with this department and the two corporations that I'm responsible for, to make sure I have a good working relationship with both the Business Development Corporation and the NWT Development Corporation, and also to make sure that Members of the Legislature are equally familiar with the goals and objectives of both these bodies and to have regular updates as to the activities and ongoing operations of them. I can assure the Member that that is something that I intend to do, to get regular reports myself but also to share them with the Members. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Contributions, \$12.314 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. Under the business development fund, in 1994-95, there was \$3 million spent, and in 1995-96 there was a forecast of almost \$3 million. This program is to encourage growth and expansion. Does the department have any figures on the number of jobs that were created?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Kakfwi.

**MR. DOAN:**

Mr. Chairman, there is a report that's produced each year on the business development fund which evaluates its performance and attempts to speak to the issue of job creation. The only caution is that the numbers are based on the anticipated employment, at the time the business plans are evaluated. It isn't a historical accounting, it is more a projection of what employment would result from those business plans. That report is available.

**MR. STEEN:**

Thank you, Mr. Doan. For the record, that was a response from Mr. Doan. We have to identify who is speaking here so we can keep track for the record. Mr. Henry, do you have further questions?

**MR. HENRY:**

I was hoping that the department would have some idea and be able to boast about the number of jobs that were created each year, especially when they are looking at more than doubling the amount of money for 1996-97. I can appreciate the majority of that money is coming from the economic development agreement. I had hoped that would be a figure you would be able to boast of because of the large increase.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Doan.

**MR. DOAN:**

The only other comment I could add is that the community initiatives program is being piloted within the business development fund to use the existing policy. Unlike the business development fund, the contributions under the incremental community initiatives program are not towards businesses, they are towards groups of businesses trying to build foundations, provide training and undertake the kinds

of projects that were undertaken by the economic development agreement. This doesn't explain the point that you are raising, but simply clarifies that the budget for actual business development next year will remain under \$3 million and that incremental funds are directed to foundation-type development at the community level.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, one of the directions I gave the department that they are presently checking into is, with all the money we have in this department, plus what is available through the NWT Development Corporation and the Business Credit Corporation, how many jobs do we create. How are the jobs created and sustained? It is something we are looking at, but we aren't sure how we can do it and how many qualifiers we are going to have to add when we throw a figure out. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Kakfwi. Mr. Henry.

**MR. HENRY:**

I have one final question. Under the economic development agreement, is the \$600,000 carried over from previous years? How is that figure arrived at?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Henry. Mr. Doan.

**MR. DOAN:**

That is the residual budget for the industry Canada cooperative agreement with the GNWT. There were three cooperative agreements. The other two are concluded. This one has \$600,000 left for delivery this year.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Doan. Any further questions on contributions? Total contributions, \$12.314 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total department, \$15.033 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

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**CHAIRMAN (Mr. Steen):**

Detail of work performed on behalf of third parties, total department, \$77,000.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Now we will go back to the program summary on page 13-11. Economic Development and Tourism, operations and maintenance, total operations and maintenance, \$30.864 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Capital, total capital, \$8.13 million.

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

Total expenditures, \$38.994 million.

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Steen):**

Are we now through with the Department of Economic Development and Tourism?

**SOME HON. MEMBERS:**

Agreed.

--- Agreed

**CHAIRMAN (Mr. Steen):**

I would like to thank the witnesses for their attendance. I will now report progress.

**MR. SPEAKER:**

I will call the House back to order. Item 21, report of Committee of the Whole. Mr. Steen.

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

**MR. STEEN:**

Mr. Speaker, your committee has been considering Bill 11 and Committee Report 3-13(3) and would like to report progress. Mr. Speaker, I move that the report of Committee of the Whole be concurred with.

**MR. SPEAKER:**

Thank you. Is there a seconder? Mr. Antoine. To the motion.

**SOME HON. MEMBERS:**

Question.

**MR. SPEAKER:**

All those in favour? All those opposed? The motion is carried.

--- Carried

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

ITEM 23: ORDERS OF THE DAY

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

Mr. Speaker, there will be a meeting of the Western Caucus and the Nunavut Caucus immediately after adjournment this evening. At 9:00 a.m. tomorrow morning, there will be a meeting of the Standing Committee on Government Operations.



Orders of the day for Tuesday, May 14, 1996:

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. Replies to Budget Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motions for First Reading of Bills
17. Motions
18. First Reading of Bills
  - Bill 13, Loan Authorization Act, 1996-97
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and
  - Other Matters
    - Bill 8, An Act to Amend the Income Tax Act
    - Bill 11, Appropriation Act, 1996-97
    - Committee Report 1-13(3), Standing Committee on
      - Government Operations Report on the Review of the 1996-97 Main Estimates

- Committee Report 2-13(3), Standing Committee on Infrastructure Report on the Review of the 1996-97 Main Estimates

- Committee Report 3-13(3), Standing Committee on Resource Management and Development Report on the Review of the 1996-97 Main Estimates

- Committee Report 4-13(3), Standing Committee on Social Programs Report on the Review of the 1996-97 Main Estimates

21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

**MR. SPEAKER:**

Thank you, Mr. Clerk. This House stands adjourned until Tuesday, May 14, 1996, at 1:30 p.m.

**--ADJOURNMENT**