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The Honourable Samuel Gargan, Speaker

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MEMBERS PRESENT

Hon. Jim Antoine, Hon. Goo Arlooktoo, Mr. Barnabas, Hon. Charles Dent, Mr. Enuaraq, Mr. Erasmus, Mr. Evaloarjuk, Hon. Samuel Gargan, Mrs. Groenewegen, Mr. Henry, Hon. Stephen Kakfwi, Mr. Krutko, Mr. Miltenberger, Hon. Don Morin, Hon. Kelvin Ng, Mr. Ningark, Mr. Ootes, Mr. Rabesca, Mr. Roland, Mr. Steen, Hon. Manito Thompson

ITEM 1: PRAYER

--- Prayer

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Rabesca. Before we get into the orders of the day, I would like to recognize in the gallery, Vital Manuel. Vital Manuel was born in Inuvik on December 17, 1973, to Denise and Thomas Manuel. They are his parents and now live in Fort Good Hope. Vital was raised in Fort Good Hope but attended school in Inuvik and Yellowknife, as well as his home town. He has been in a wheelchair all his life, but it hasn't slowed him down one bit.

Vital is very musical and often uses spoons to keep up with the music played on the fiddle by his father, Thomas. Vital now makes his home here in Yellowknife attending the Abe Miller Centre where he works with ceramics. As a courier and xeroxing important documents, he lives independently with a friend in his own apartment. Many of you have seen Vital in a wheelchair on the streets of Yellowknife riding up and down, greeting his friends and running errands.

During the winter months, he is often seen in 40 below weather riding his wheelchair to the Legislative Assembly, where he works for the MLAs three days a week. Vital has asked that Steven Kakfwi be recognized for the support and guidance and for the job he has provided to Vital.

He also wants to acknowledge his parents and family for their assistance and love throughout his long climb to independence. Vital has made a special cross for the Legislative Assembly. One day while visiting the Legislative Assembly, he asked the security guard if he could look into the House, when he noticed that there was no cross to guide the MLAs on behalf of the communities, so he promptly set to work to make this

special gift. Vital is here with us today. Mahsi cho, Vital.

--- Applause

MR. SPEAKER:

I would also like to thank Mr. Kakfwi. Item 2, Ministers' statements. Mr. Morin.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 68-13(3): Minister Absent From The House

HON. DON MORIN

Thank you, Mr. Speaker. I would also like to thank Vital for that very special gift and I will think of him when we see that hanging on the wall. Mr. Speaker, I wish to advise Members that the Honourable John Todd will be absent from the House today and part of Monday to attend meetings with NTI, NIC and the Baffin and Iqaluit chambers of commerce in Iqaluit. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Minister's Statement 69-13(3): Community Empowerment

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. I would like to thank Vital for recognizing that there is a bigger power than the Legislative Assembly.

Mr. Speaker, the government's Agenda for Change names the community empowerment initiative as one of its priorities. This initiative is a turning point in the history of the Northwest Territories. Never before, have we had the opportunity to make such a difference in programs and services to people.

Mr. Speaker, I know that Members of this Assembly are interested in the opportunities which will become available for communities across the NWT, once we get community empowerment up and running; and, I know that community leaders and members of the general public have expressed an interest, as well, in finding out more about community empowerment.

I would like to follow up on the recent statistics made in this Assembly on community empowerment, by the Premier and the Minister of Finance, and provide Members with an update regarding this important initiative.

Communities used to look after their own affairs but, as programs and services became more complex, government made more and more decisions for the people. Communities have told us they want to take their rightful place; to make decisions for themselves. From the strengths of their past, they can truly build their futures.

Mr. Speaker, as there are no new resources to add to the government's budget, community empowerment, like all the government's priorities in the Agenda for Change, will use existing program resources.

Communities, however, will have the flexibility, through community empowerment, to direct money and other resources where they can do most good. We are trying to preserve as many dollars as possible but, when tough decisions have to be made, communities should make those decisions in partnership with the government.

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Mr. Speaker, communities must expect more accountability and responsibility for community-based programs, services and infrastructure; but, all this cannot happen in every community overnight. We need to take the time to work with communities and jointly plan for success.

Mr. Speaker, community empowerment involves all GNWT departments. The Department of Municipal and Community Affairs has been designated as the department to facilitate and coordinate the initiative between communities and all government departments, in all regions of the NWT. By the fall of this year, we will have in place a community empowerment action plan for communities to begin taking on greater responsibilities and authority over community infrastructure and the programs and services delivered locally. The action plan will outline two key areas of empowerment: the GNWT programs and services available for communities to assume control of; and, a community development approach which will ensure support to communities to identify and work on their own needs and priorities.

Using locally-based planning initiatives, the community development approach will assist

communities to identify those areas where they need to develop expertise, skills and capacities to carry out a wide range and mandate of program delivery. A community development team in every region will support communities to undertake assessments and to determine their needs based on local strengths and conditions.

Mr. Speaker, some communities, however, are at a stage now and are ready to take on additional responsibility and authority. Communities like Fort Liard and Aklavik are already looking to take steps to develop new opportunities and approaches through community empowerment. Other communities, like Pangnirtung and Baker Lake, are looking at the transfer of government positions and functions. We have to work in partnership with these and all communities to make sure they can be successful. Through community development, we will support communities as they identify their priorities, the resources they already have, and the resources that are available from government.

This government will make sure communities receive the training and support they require to manage their affairs.

Mr. Speaker, community empowerment is about creating opportunities for communities to take control of community based programs. Communities will have an opportunity to manage their own buildings and lands. They will have an opportunity to manage social assistance to make it work for their residents. Community empowerment means that communities can develop and manage their own community wellness programs.

Mr. Speaker, some communities, like Holman, Cape Dorset and Fort Good Hope, have already started to manage social assistance. Others have started training community people to deal with wellness issues. We need to celebrate these successes, and to encourage all communities to share in this empowered future.

A key part of community empowerment is information and monitoring. Some small communities may wish to work together, to pool their resources to make the best use of the dollars and people they have. We must support them in this. Other communities will face social challenges which may seem impossible. We must support them to meet these situations and conditions. The government is committed to partnership with the communities and people of the Northwest Territories. As part of the community

development approach, government will disclose fully all resources now dedicated to local programs and services. In addition, all information which will assist communities to identify their needs and priorities will be shared. These planning tools are being developed now and will be available to communities in the fall. MACA will be working with communities to support and coordinate regional leadership meetings and to provide the information communities will need to plan for empowerment.

Another key part of community empowerment is legislation to give communities accountability and responsibility for local programs and services. This government will develop legislation to support community empowerment. As well, changes to income support regulations to enable communities to take on income support programs are due this summer.

The new Education Act will come into force this summer and it will enable communities to assume greater control over local education programs. In the area of legislation, the government is prepared to move quickly to provide communities the room they need to manage their own affairs.

Mr. Speaker, though we are in the early stages and days of planning for community empowerment, I will be writing very soon to every community leader in the NWT to outline the opportunities available to them under community empowerment. I look forward to our future. This government is committed to working with communities to make their own decisions, set their own priorities and answer to their own residents. Thank you, Mr. Speaker.

--- Applause

MR. SPEAKER:

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

Minister's Statement 70-13(3): Air Attack Officer Trainees

HON. STEPHEN KAKFWI:

Thank you, Mr. Speaker. I would like to congratulate the eight individuals who were recently hired by the Department of Renewable Resources to undertake training to become air attack officers. These seven men and one woman are all northerners and were

selected, after a lengthy evaluation process, from over 100 applicants.

An air attack officer flies with a pilot in a Bird Dog aircraft, and is responsible for controlling the air space around a forest fire and ensuring that air tankers are used effectively and safely on a fire. If there is no fire boss on the ground, the air attack officer is in charge of the fire. When there is a fire boss, the air attack officer coordinates the use of the air tankers, based on the plan developed by the fire boss.

Mr. Speaker, the job of an air attack officer can be described as difficult, challenging and, at times, exciting. It takes very special people who have a lot of on-the-ground experience fighting forest fires and are willing to undertake a lot of intense training. The eight successful candidates will receive about four weeks of classroom training in Fort Smith, before being assigned to work with experienced air attack officers over the summer. Over the winter, they will take further training in resource and forest fire management.

Mr. Speaker, the Department of Renewable Resources is committed to training young northerners for careers in resource management and we are pleased to have, as partners for this venture, the Department of Education, Culture and Employment and Northwestern Air Lease Limited, of Fort Smith. Mahsi cho.

---Applause

MR. SPEAKER:

Thank you, Mr. Kakfwi. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Evaloarjuk.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Baffin Leaders' Summit In Iqaluit

MR. EVALOARJUK:

(Translation) Thank you, Mr. Speaker. Today is Friday and I will try English and say "thank you, Mr. Speaker." Mr. Speaker, I wish to report that, as the chair of the Baffin Leaders' Summit, I have just sent out invitations to our next meeting in Kimmirut on June 21 to 23, 1996. The Baffin MLAs have agreed that this meeting will focus on developing a common Baffin economic strategy for the Baffin region. The Baffin meeting will be attended by the Baffin MLAs and 13 Baffin mayors, the president and the executive

of the Baffin Region Inuit Association, the president of ... (inaudible) ... corporation and the president of the Baffin Chamber of Commerce. Also, Mr. Jose Kusugak, president of Nunavut Tunngavik Incorporated, has been invited to attend.

We will also receive a presentation from the Honourable Manitok Thompson and we will have a discussion on community empowerment. I would like to thank the Honourable Stephen Kakfwi, Minister of Economic Development and Tourism, for allowing his regional staff to prepare a presentation on the Baffin economy. I do believe this will greatly assist us to guide the discussion towards a common Baffin economic strategy.

We are also grateful to the community of Kimmirut and Mayor Kowisa Arlooktoo and his council for agreeing to host this important meeting. Mr. Speaker, I will be pleased to report the results of this important meeting to the Assembly at the next opportunity, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you, Mr. Evaloarjuk. Mr. Krutko.

Member's Statement On New Process In The
Legislature

MR. KRUTKO:

Thank you, Mr. Speaker. My statement today is regarding why we are here. We have been elected to represent the people and be the voice for the people. I believe that it is our duty, as MLAs and as Cabinet, to listen to what those people are saying and to speak for those people who cannot speak for themselves. I have been speaking to a lot of issues lately. I have been asking a lot of questions. I believe it is my duty as an MLA to ask those questions and get those answers for those people who are probably asking themselves the same questions.

I feel that there are rules in this House we have to follow, yes. But there is also a fundamental purpose for this House and that is to debate laws, regulations, budgets and also to make decisions on how our government is going to operate. Yet, there are times when you ask question after question, wait for answers and the answers you get aren't the ones you want. I think it is important to realize the questions that you ask may contain information that someone else may be looking for. They may not get to see you on TV, but people do read Hansard. People want to

know what goes on in this House; what questions have been asked with regard to water problems and the budget problems. They see one area getting something and another area gets nothing. They want to know what the process of government is.

We, as Members of this House, should not be stuck in the mould of having to rush through everything and make a decision like let's get out of here by the end of the month because I have other plans. People want to do other things, travel to other regions and meet with constituents. Some of us don't have the privilege of living in Yellowknife or the surrounding ridings, where you have the opportunity to run home to your riding and come back the next night. I seek unanimous consent to conclude.

MR. SPEAKER:

The honourable Member for Mackenzie Delta is seeking unanimous consent to conclude his statement. Do we have any nays? There are no nays. Conclude your statement, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Speaker. I think one thing people have to realize is we have established a new system of doing business with government and new committee structures. I believe the move is a step in order to assist Cabinet and Members to work closer together. With regard to certain committees that I don't sit on, I don't have the privilege of having a say with regard to my riding and if anything will be changed, until it comes to this House in the form of a budget. That is the time we have to ask those questions. We have to go through the budget and ask why there is money here and there. In my case, I am finding out that a lot of the projects in my constituency are for the year 1999 to the year 2001. We are talking about a new form of government in the West. We are also talking about today's problems that I have to raise in this House; for example, the water problems in Fort McPherson. I ask questions and I

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may be irritating Members because I am asking so many questions. I ask for those people who are probably asking themselves the same question. Why haven't we got this or that?

With that, I would like for all Members to realize that we are here for a purpose. Asking questions is for the benefit of the people we represent. Thank you.

---Applause

MR. KRUTKO:

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

Member's Statement On Successful CDSC Meeting

MR. OOTES:

Qujannamiik, Uqaqtii. Last night, I and other Members of the Western Caucus attended the Constitutional Development Steering Committee. I thought perhaps, because there is a possibility of the Constitutional Development Steering Committee being put on hold for a period of time, that we would have been there for a half an hour. However, we had a very encouraging meeting with the Members and it was decided and resolved in the end that the aboriginal summit would work with the Western Caucus Members to develop a constitution for the West. Then, once the draft is done, it would be submitted back to the Constitutional Development Steering Committee, of which other Members are the tax-based communities and the women's organizations of the Territories. At a later date, it will be put before the public for ratification. I was quite encouraged by this meeting and after many years of efforts to try to get going on the development of a constitution, we are finally able to set it on the road to being done. I congratulate the Members of the Western Caucus and the Members from the aboriginal summit for the agreement reached last night. I look forward to participating in the development of this constitution. We do, unfortunately, have a time frame crunch. But I think we can deal with that and as time goes, hopefully we will all brief our constituents on this draft constitution. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Member's Statement On Hockey Game Between
Western Caucus And Nunavut Caucus

MR. BARNABAS:

(Translation) Thank you, Mr. Speaker. (Translation ends) Last night, I was watching hockey and I thought I would tell all the Members what it was like. It is Friday, so I am going to tell a joke.

Last night, I was watching a hockey game between the Western Caucus and Nunavut Caucus. In the third period, it was getting interesting. Jake "the Snake" Ootes had a hat trick; Vince "Macho Man" Steen was defending very well. Those policing our team: John "Charles Bronson" Ningark was policing very well on our team. In the Western Caucus, Mr. "Sunshine" Henry was policing as well.

Mr. "Mark Twain" Evaloarjuk was the head referee with his two assistants: Mr. "Pink Floyd" Roland on the right side and "the Curley" David Krutko on the left side.

--- Laughter

There were also arguments between Ed "Forrest Gump" Picco...

--- Laughter

... and John "the Axe" Todd. They were arguing so Mr. "Mark Twain" Evaloarjuk was able to break the fight and put them in the penalty box for two minutes.

Mr. "Cheese Burger" Miltenberger was checked by Tommy "T. Hall" Enuaraq at the corner and he had to be carried out to the lockerroom. Sam G. also had two minutes for checking. Mr. "Oh" Donnie Morin was coaching the West and Mr. Goo "Pilook" Arlooktoo was coaching the East. Thank you, Mr. Speaker.

--- Applause

MR. SPEAKER:

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

Member's Statement On Demonstration Of Kids On
The Block

MR. HENRY:

Uqaqtii, at 2:00 p.m., the Council for Disabled Persons will be making a presentation in the great hall. This will be a demonstration of Kids on the Block, not to be confused with New Kids on the Block, performed by two students from St. Patrick High School in Yellowknife. I would urge all Members to take some time at 2:00 to come to the great hall and see these students perform.

The purpose of the program, Mr. Speaker, is an awareness program that models positive attitudes and behaviours towards people with disabilities. The goal

of the program is to have the audience see people not disabilities. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Member's Statement On Appreciation To Family

MR. ROLAND:

Thank you, Mr. Speaker. It seems at times, especially as days go by, that we may feel that it has been a long sitting. We have sat late a number of days. We go home late in the evening and rise early to get to the grind once more. I feel it has been a long spell and am looking forward to getting home. At the same time, we think it has been long here but we have our families back home who only get to see us, hear us on the radio or when they watch the program late at night. They must be feeling it is a long time as well.

I would just like to say to my children and wife back home, thank you for standing by me in these times.

--- Applause

MR. SPEAKER:

Thank you, Mr. Roland. Item 3, Members' statements. Mr. Steen.

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Member's Statement On Appreciation To Family

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, I think I will follow the example of Mr. Roland and thank my family and my wife for having to stay home instead of being out on the land, like I know she would like to be, and having to make sacrifices in order to proceed with some progress and betterment for our people. Mr. Speaker, it gives me great pleasure to listen to the Minister of Renewable Resources saying we can now hunt in the spring without worrying about the government coming down on us. I am sure the people back home are taking full advantage of that. I would like to be with them; unfortunately, I can't. I wish them good hunting.

--- Applause

MR. SPEAKER:

Thank you, Mr. Steen. Item 3, Members' statements. Item 4, returns to oral questions. Mr. Arlooktoo.

ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question 195-13(3): Application Of Negotiated Contract Policy Outside Nunavut Area

HON. GOO ARLOOKTOO:

Mr. Speaker, I have a return to an oral question asked by Mr. Steen on May 8th regarding application of negotiated contract policy outside Nunavut area.

In 1994-95, the Government of the Northwest Territories drafted a government-wide policy on negotiated contracts. However, Cabinet review of this policy was put on hold until consultation could take place with Nunavut Tunngavik Incorporated regarding the government's obligations under article 24 of the Nunavut final agreement. Now that those consultations have been completed, the government policy on negotiated contracts will be completed and provided to Cabinet for review.

The negotiated contracts policy will reflect the requirements of all the settlement agreements in both East and West. It will also reflect my commitment to develop options to enhance aboriginal and local access to economic opportunity, not only in the Nunavut area, but throughout the Northwest Territories.

However, at the present time, and until those policies are complete, the 21-day notice period applies only to negotiated contracts for activity in the Nunavut settlement area. Thank you.

MR. SPEAKER:

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

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize some constituents from Cambridge Bay: Joe and Susie Koaha; their daughter, Laurie; their grandson, Etejik; and, his adopted mother, Christianne Clarke.

--- Applause

MR. SPEAKER:

Welcome to the Assembly. Thank you. Item 5, recognition of visitors in the gallery. Item 6, oral questions. Mrs. Groenewegen.

ITEM 6: ORAL QUESTIONS

Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

MRS. GROENEWEGEN

Thank you, Mr. Speaker. Mr. Speaker, yesterday in my Member's statement, I raised the issue of the Great Slave Lake fishery and the management and marketing of that resource. This industry is very important to the community I represent and I am most interested in seeing that this northern resource, as any other, derive the absolute maximum benefits possible.

When you consider how few species the Freshwater Fish Marketing Corporation accepts, what little processing takes place in Hay River and how little product and marketing development has occurred in the recent past, perhaps it is time to assess whether the monopoly for the purchase and export is still an effective agency. My question to the Minister of Economic Development and Tourism: Is the present system of marketing and exporting Great Slave Lake fish the most beneficial means? Thank you.

MR. SPEAKER:

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

Return To Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

HON. STEPHEN KAKFWI:

Mr. Speaker, as a government, we will be taking a look at that and considering it. We will be responding to it in due course. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mrs. Groenewegen.

Supplementary To Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

MRS. GROENEWEGEN

Thank you, Mr. Speaker. I understand that some work has been done in this area in the past. When was the last time the issue of the Great Slave Lake fishery was comprehensively examined? Thank you.

MR. SPEAKER:

Thank you. Mr. Kakfwi.

Further Return To Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

HON. STEPHEN KAKFWI:

Mr. Speaker, I understand that a number of years ago, there was a committee that was set up to review commercial fishing of Great Slave Lake, and marketing. The MLA for Hay River at the time, Mr. Pollard, and the MLA for Tu Nedhe, Mr. Morin, and Mr. Fabian from the Hay River Reserve were on that committee. That was about five or six years ago.

MR. SPEAKER:

Supplementary, Mrs. Groenewegen.

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Supplementary To Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

MRS. GROENEWEGEN

Thank you, Mr. Speaker. I want to make it very clear that, in asking these questions, I am asking them as questions. I am not making a statement. I think it is astute to examine these things once in a while. I would also like to ask the Minister, would he concur that possibly this is a function that could be more effectively handled by breaking the monopoly of Freshwater and allowing large-volume operators the option of marketing their own product and perhaps providing support to the smaller operators through some type of cooperative which would be managed by this government, as opposed to a federally legislated organization. Thank you.

MR. SPEAKER:

Thank you. Mr. Kakfwi.

Further Return To Question 304-13(3): Marketing And Exporting Great Slave Lake Fish

HON. STEPHEN KAKFWI:

Mr. Speaker, the government will review that suggestion as it has in the past and respond to the Member. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Krutko.

Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

MR. KRUTKO:

Thank you, Mr. Speaker. My question is to the Minister of Public Works with regard to the water treatment plant in Fort McPherson. I asked a question on March 14th with regard to the status of that plant and what the implications are, because at the present time there still seems to be a problem with the quality of water. I have been told that they're using about six different chemicals in the water system to try to resolve it. Because of the number of different chemicals and also the concern about cancer, could the Minister tell me when he would be reporting back to me on this since I raised it on March 14th?

MR. SPEAKER:

Minister of Public Works and Services, Mr. Arlooktoo.

Return To Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

HON. GOO ARLOOKTOO:

Mr. Speaker, 1, as Minister of Public Works, and the Minister of MACA am taking this issue very seriously. We have brought this up at Cabinet; in fact, this morning. As I have said before, we are sending staff to Fort McPherson and we will be making arrangements to sit down with the Member and work closely with him to see how we can deal with the issue.

MR. SPEAKER:

Supplementary, Mr. Krutko.

Supplementary To Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

MR. KRUTKO:

Thank you, Mr. Speaker. I would like to thank the Minister for that. I also see this as a critical priority in which we should have done something on this

when it originally occurred. I do feel that we have to get in there as soon as possible and I suggest to him we go there once the House has completed sitting. But, in the meantime, we need to continue to work on this.

I feel that we do have to look at the other issue: the health aspect; the long-term implication that possible health problems may cause from all these chemicals that are in the system. I have been told there are six different chemicals they've been adding to the system to try to resolve this problem. They didn't have to do that before and that is another concern that has been raised since this problem has occurred. Can you also look at the different chemical components that they have been putting into the water system? Thank you.

MR. SPEAKER:

Mr. Arlooktoo.

Further Return To Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

HON. GOO ARLOOKTOO:

Mr. Speaker, the area of chemistry is not my speciality, but I am informed that, as it stands now, the different additives they are putting into the water through the treatment process is allowing the water to meet the Canadian drinking water standards. However, I understand that there is great concern about the water colour and odour, which I completely understand and which I agree we must deal with as soon as we can,

With that, I will commit again that I will work with the Member. I do have other commitments, as the Minister of MACA for travel that we made some time ago, immediately after session. But we will send our staff up in the interim and hope that we can deal with this issue as soon as possible.

MR. SPEAKER:

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

Supplementary To Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

MR. KRUTKO:

Thank you, Mr. Speaker. If the Minister cannot make it at this time, can he have one of his senior people travel with me to Fort McPherson? Your deputy minister may be able to travel with me to Fort

McPherson to deal with this, because I would like to have this dealt with at a senior level so something will get done and so that we don't just look at it as another study.

MR. SPEAKER:

Mr. Arlooktoo.

Further Return To Question 305-13(3): Response To Concerns Re Water Quality In Fort McPherson

HON. GOO ARLOOKTOO:

Mr. Speaker, I believe I made that commitment before, that we will send senior officials from either Public Works or MACA, or both. As I said before, we're taking it seriously. There is a question of the cost. I am informed that a conservative estimate is another \$8 million for a water treatment facility that would deal with the problem correctly, because of the lack of suitable sources close to the community. So there are a whole range of

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issues that we need to deal with and, yes, we will send senior officials with the Member to his community.

MR. SPEAKER:

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

Question 306-13(3): Status Of Revised Business Incentive Policy

MR. ERASMUS:

Thank you, Mr. Speaker. My question is for the Minister of Economic Development and it's in relation to the business incentive policy. I've been hearing, for some time now, complaints from people who are involved in business. They're saying that implementing the policy is too complex, that it's not working properly and that southern-based companies are finding ways to get around the policy. There was a review done quite a while ago and there has even been some sort of report. I would like to know when the new business incentive policy will be coming out.

MR. SPEAKER:

Minister of Economic Development and Tourism, Mr. Kakfwi.

Return To Question 306-13(3): Status Of Revised Business Incentive Policy

HON. STEPHEN KAKFWI:

Mr. Speaker, I understand the policy is still being reviewed internally, consultation has been conducted by the previous Minister and, as the new Minister responsible for that policy, I have yet to be fully briefed on all the intricate elements and the history of that policy. I understand the target is to have a new policy by September or October. Thank you.

MR. SPEAKER:

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

Supplementary To Question 306-13(3): Status Of Revised Business Incentive Policy

MR. ERASMUS:

Thank you, Mr. Speaker. Can the Minister tell us whether the policy has been developed to such an extent that you can tell whether the new policy will save this government some money?

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 306-13(3): Status Of Revised Business Incentive Policy

HON. STEPHEN KAKFWI:

Mr. Speaker, the policy is going to be reviewed and changes may be made to it, possibly within the new few months. For instance, the advisory panel that the Premier has set up recently will be asked to advise the Premier on the merits and the pros and cons of that policy. We will know later, over the course of the summer, how changes, if any are made, will improve the performance of that policy with the goals that were set out for it in the first instance. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Erasmus.

Supplementary To Question 306-13(3): Status Of Revised Business Incentive Policy

MR. ERASMUS:

Thank you, Mr. Speaker. Most of the MLAs will be gone from Yellowknife until October or some time

during then, whenever the next session starts. How will the rest of the ordinary MLAs be involved in this policy? Are we going to be given the opportunity to give advice and final recommendations and perhaps even approval of this policy?

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 306-13(3): Status Of Revised Business Incentive Policy

HON. STEPHEN KAKFWI:

Mr. Speaker, we can make a commitment to the Member that the appropriate committee will be advised of the developments of the new policy and input will be sought from the appropriate committees to advise the government on changes and concerns that may be brought forward by the Members through the committee. Thank you.

MR. SPEAKER:

Final supplementary, Mr. Erasmus.

Supplementary To Question 306-13(3): Status Of Revised Business Incentive Policy

MR. ERASMUS:

Thank you, Mr. Speaker. Will the Minister be seeking approval from the Caucus as a whole before implementing the policy?

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 306-13(3): Status Of Revised Business Incentive Policy

HON. STEPHEN KAKFWI:

Mr. Speaker, it would be a policy of Cabinet. As I understand it, we will be consulting with the appropriate committees before proceeding to finalize the policy. However, we will, as a Cabinet, decide on the final form of the policy, knowing very well that if it is not well thought out and not thoroughly supported, we will have difficulty when session resumes if we adopt a policy before that. So we will gauge the support that we have and how well we can defend the policy and whatever changes we institute between

now and fall, and make our decisions accordingly. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Steen.

Question 307-13(3): Tuktoyaktuk Access Road To Gravel Source

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, my question is directed to the Minister responsible for Transportation, Mr. Antoine. Mr. Speaker, my community has written to the Minister of Transportation requesting that Department of Transportation meet with them to consider construction of an access road to a gravel source nine miles south of our community. Mr. Speaker, gravel in my community is worth anywhere from \$40 to \$60 a metre and the community is looking at any options available to bring this price down so people can afford to develop lots and land

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Mr. Speaker, in the last week, we have been discussing access roads and the purpose of these access roads. I believe the Minister did state in Committee of the Whole that access roads were to serve all purposes; including fishing, hunting and other recreational activities that the communities may wish to pursue. Mr. Speaker, this particular road would serve a very good purpose. I would like to ask the Minister if he would reconsider this letter he has written to the community and, perhaps in conjunction with MACA, meet with the community to see whether this access road could be considered in future budgets. Thank you.

MR. SPEAKER:

Minister of Transportation, Mr. Antoine.

Return To Question 307-13(3): Tuktoyaktuk Access Road To Gravel Source

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, yes, I will reconsider the letter that I have written to the community that Mr. Steen is referring to. Along with my colleague, the Honourable Manito Thompson, we will try to resolve this issue. I think it's a very legitimate request. I think if we could all work

together, perhaps we could resolve this issue. Thank you.

MR. SPEAKER:

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

Question 308-13(3): Approval Of Health Boards' Budgets

MR. ROLAND:

Thank you, Mr. Speaker. My question will be directed to the Minister of Health and Social Services. During the budget process, when we went through the business plans, when it came to the budgets of the health boards, the Social Programs committee sent a message back saying that the reductions should be made by the health boards. I would like to ask the Minister if the health board budgets have been adopted. Thank you.

MR. SPEAKER:

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

Return To Question 308-13(3): Approval Of Health Boards' Budgets

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, the health board budgets have been adopted. With respect to some of the reduction options that were put forward by the health and hospital boards, a large majority of the ones that were acceptable have been given consent to go forward with, but there are a few other matters that still require some additional information. Generally speaking, a large percentage of the reduction options have been approved, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Roland.

Supplementary To Question 308-13(3): Approval Of Health Boards' Budgets

MR. ROLAND:

Thank you, Mr. Speaker. Could the Minister also give us some more information? Are the targets going to be met by their proposed budget?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 308-13(3): Approval Of Health Boards' Budgets

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I certainly hope so. Thank you.

MR. SPEAKER:

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

Question 309-13(3): Status Of Affirmative Action Policy Review

MR. OOTES:

Thank you, Mr. Speaker. On several occasions, I've asked when we could expect the affirmative action policy review to be tabled in the House. The reason I am persisting in this is that this is continuing to be of concern to several of my constituents who have written me letters on this. It is also a policy that is still in effect when it comes to hiring students. It was certainly a big issue during last September's election campaign, and a lot of us spoke on the subject, stating that we would take this up as an item to be discussed and to try and resolve and come up with some solutions to the affirmative action policy. I wonder if the Premier could tell me again what is the status of the policy and when may we expect to have the policy tabled in the House.

MR. SPEAKER:

Mr. Premier.

Return To Question 309-13(3): Status Of Affirmative Action Policy Review

HON. DON MORIN

Thank you, Mr. Speaker. I would be happy to make a copy of that policy available to any Member who requests it. As far as I understand it, the policy was reviewed by the Minister responsible last year. It is in effect and is still in effect as is. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Ootes.

Supplementary To Question 309-13(3): Status Of Affirmative Action Policy Review

MR. OOTES:

Thank you, Mr. Speaker. I understand that public hearings were held last fall and a report was to be issued on those public hearings. That report was completed and then submitted for review by the Minister. The Minister, in turn, was looking at assessing the report and was then going to table it in this House. I wonder if the Premier could clarify when we may expect that to be tabled in the House.

MR. SPEAKER:

Mr. Morin.

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HON. DON MORIN

Thank you, Mr. Speaker. I'll take that question as notice and get an answer back to the Member on Monday. Thank you.

MR. SPEAKER:

Thank you. The question has been taken as notice. Item 6, oral questions. Mrs. Groenewegen.

Question 310-13(3): Devolution Of Fisheries And Oceans Responsibilities To GNWT

MRS. GROENEWEGEN

Thank you, Mr. Speaker. My question again is with respect to the fishing industry. About 20 years ago, I worked for the federal Department of Fisheries and Oceans in Hay River and at that time, I believe, besides myself, there were 13 people on staff there. The functions they were responsible for were management, conservation protection and inspection. It's my understanding that today I personally know of only one person involved in each of those functions. I personally know of three people who work for the Department of Fisheries and Oceans in Hay River; there may possibly be more. I guess what that indicates is that the federal government has pulled back quite considerably in their role of overseeing the fishing in the Northwest Territories.

Over the years, they have acquired a tremendous amount of infrastructure in Hay River: docks, land, buildings, equipment, boats, bombardiers. I understand that there is talk of Fisheries and Oceans being amalgamated with the Canadian Coastguard. My question to the Minister of Economic Development and Tourism is has the territorial government

considered taking over the role of the federal Fisheries and Oceans, like so many other federal departments that have been devolved to the territorial level of government. Thank you.

MR. SPEAKER:

Minister of Economic Development and Tourism, Mr. Premier.

Return To Question 310-13(3): Devolution Of Fisheries And Oceans Responsibilities To GNWT

HON. DON MORIN

Thank you, Mr. Speaker. That falls under the responsibility of devolution of powers from the federal government to this government. Two terms ago, we had almost reached a deal with the federal government to take over the responsibilities of Fisheries and Oceans in the Northwest Territories. While we were getting closer to the end of that deal, the federal government continued to pull back dollars. In the end, they would have liked to have transferred the responsibility, but transfer no dollars with it. So at that time we backed out of that deal, but it is something that will be back on the table again that we will look at. We, as a government, are a firm believer that northerners should control the northern resources. That way, we will have the people's issues in the forefront on all issues to do with fishing in the Northwest Territories. Thank you.

MR. SPEAKER:

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

Question 311-13(3): Amalgamation Of Health And Social Services In Regions

MR. ROLAND:

Thank you, Mr. Speaker. My question is directed to the Minister of Health and Social Services. We've heard about the amalgamation process of Health and Social Services. It has been done at headquarters. I would like to know from the Minister how far along the process is in the regional centres. Thank you.

MR. SPEAKER:

Minister of Health and Social Services, Mr. Ng.

Return To Question 311-13(3): Amalgamation Of Health And Social Services In Regions

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, different regions are at different stages in the process, but the overall intent with the consolidation of Health and Social Services is to have it done by the end of this fiscal year, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Question 312-13(3): Air Attack Officer Trainees' Identities

MR. RABESCA:

Thank you, Mr. Speaker. I would like to direct my question to the Minister responsible for Renewable Resources regarding the air attack training announcement that he made this morning. Of the eight individuals who were originally hired by the department, I was wondering what communities they were from, how many years of experience each person had, their names and the communities they represent.

MR. SPEAKER:

Thank you. The Minister of Renewable Resources, Mr. Kakfwi. That was two questions.

Return To Question 312-13(3): Air Attack Officer Trainees' Identities

HON. STEPHEN KAKFWI:

Mr. Speaker, it's the appeal process that prevents me from sharing the names of the successful candidates; their names and their home towns. It's because of the appeal process that we are not, at this time, able to share the names of the successful candidates with the Members. Once the appeal process period has lapsed and all appeals have been dealt with, then we will be in a position to share the names with the Members and the public. Thank you.

MR. SPEAKER:

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

Question 313-13(3): Use Of Existing Human Resource Officers In Hiring Process

MR. ERASMUS:

Thank you, Mr. Speaker. My questions are for the Minister responsible for Personnel. Some time ago, I asked a question regarding the amalgamation of Personnel into other areas and time ran out, so I thought I would finish what I had started. Now that the staffing function has been removed from the Personnel Secretariat, I would like to ask

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the Minister how government departments will hire new employees. Will they be using existing resources to manage their staffing needs?

MR. SPEAKER:

Mr. Premier.

Return To Question 313-13(3): Use Of Existing Human Resource Officers In Hiring Process

HON. DON MORIN

Thank you, Mr. Speaker. Yes.

MR. SPEAKER:

Supplementary, Mr. Erasmus.

Supplementary To Question 313-13(3): Use Of Existing Human Resource Officers In Hiring Process

MR. ERASMUS:

Thank you, Mr. Speaker. Do all departments have some sort of human resources officer in place, or are there some smaller departments that may not have such a position in the organizational charts?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 313-13(3): Use Of Existing Human Resource Officers In Hiring Process

HON. DON MORIN

Thank you, Mr. Speaker. It's my understanding that the majority of departments now have those positions in place to do the hiring, and there is some training that Personnel is doing with some other departments to bring them all up to par. Hopefully, in the very near future they will be all up to par. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Erasmus.

Supplementary To Question 313-13(3): Use Of Existing Human Resource Officers In Hiring Process

MR. ERASMUS:

Thank you, Mr. Speaker. Do all departments have staff responsible for human resources in all of their regional offices?

MR. SPEAKER:

Mr. Morin.

HON. DON MORIN

Thank you, Mr. Speaker. I'll take that question as notice.

MR. SPEAKER:

Thank you. The question has been taken as notice. Item 6, oral questions. Mr. Erasmus. Mr. Krutko.

Question 314-13(3): Cost Of Southern Treatment For Northerners

MR. KRUTKO:

Thank you, Mr. Speaker. It must be the hair, I guess.

---Laughter

My question is to my colleague and partner in crime, Mr. Ng, Minister of Social Services. I have asked for information with regard to the costs that are presently being charged to send people to southern institutions and facilities. I would like to know the cost to send someone through a program such as Bellwood or to other institutions in southern Canada.

I would like to ask the Minister when I will be getting the information on that.

MR. SPEAKER:

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

Return To Question 314-13(3): Cost Of Southern Treatment For Northerners

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, as soon as possible. It's my understanding that the information

has been provided but, if it hasn't, I'll make sure the honourable Member gets another copy. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Krutko.

Supplementary To Question 314-13(3): Cost Of Southern Treatment For Northerners

MR. KRUTKO:

Thank you, Mr. Speaker, The information I had asked for and have not received is with regard to southern institutions; programs that we presently acquire through Social Services and Health in Alberta, Ontario or southern institutions, so we can have an idea what the costs are to send people to these southern programs.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 314-13(3): Cost Of Southern Treatment For Northerners

HON. KELVIN NG:

Yes, Mr. Speaker. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Krutko, supplementary.

Supplementary To Question 314-13(3): Cost Of Southern Treatment For Northerners

MR. KRUTKO:

How soon can I acquire that information? Will you have it to me before we leave the House next week?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 314-13(3): Cost Of Southern Treatment For Northerners

HON. KELVIN NG:

Thank you, Mr. Speaker. Yes, I'll have it over to the Member before the House breaks. Thank you.

MR. SPEAKER:

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

Question 315-13(3): Plan For Devolving Staffing Functions

MR. ERASMUS:

Thank you, Mr. Speaker. With regard to the amalgamation of the Personnel Secretariat into other areas, is there an overall plan in place to have these Personnel functions done in other areas?

MR. SPEAKER:

Mr. Premier.

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Return To Question 315-13(3): Plan For Devolving Staffing Functions

HON. DON MORIN

Thank you, Mr. Speaker. Yes.

MR. SPEAKER:

Thank you. Supplementary, Mr. Erasmus.

Supplementary To Question 315-13(3): Plan For Devolving Staffing Functions

MR. ERASMUS:

Thank you, Mr. Speaker. I would like to thank the Minister for being so brief and saving a lot of time for us to ask more questions. I would like to know when the ordinary MLAs are going to see this overall plan, because we've heard lots about it but we still haven't seen it.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 315-13(3): Plan For Devolving Staffing Functions

HON. DON MORIN

Thank you, Mr. Speaker. The plan to amalgamate the Personnel Secretariat into the Department of the Executive; the principles of that plan are recruitment will be the responsibility of the departments, boards and agencies of the Government of the Northwest Territories. Recruitment will be carried out in accordance with established guidelines, procedures and policies of this government. The Personnel Secretariat will establish and distribute appropriate

guidelines and procedures, the Public Services Act and regulations, the affirmative action policy, the official languages policy and guidelines, and the human resource manual will also govern the manner in which staffing is conducted. The secretariat will conduct regular audits of the departments' staffing activities that will be frequent at first. Annual audits should be significant after the first year of delegation. Audits are intended to determine compliance with established procedures. Audit results will be provided to the deputy ministers and will contain recommendations to correct procedural deficiencies. Any complaints will be investigated. The secretariat will also be available to investigate specific staffing complaints when necessary. For example, there is no appeal mechanism when a position is excluded from the UNW bargaining unit, and Ministers regularly receive enquiries from fellow MLAs as well as from constituents. So we would investigate those complaints.

The Personnel Secretariat will provide specialized training to department staff at both headquarters and the regions for the first year or two. Departments will then recruit their own staffing in a normal manner. Training and support for selection committee members will continue to be provided on an ongoing basis, Mr. Speaker.

During the transition period, the Secretariat will continue to provide recruitment services until the Minister of Finance delegates authority to the individual deputy ministers. Those deputy ministers will then be held accountable.

The secretariat will provide support and assistance to departments, when requested, during the transition period. This includes coordinating summer student employment, casual employment, assistant and senior management, Hay

Plan recruitment activities, maintenance of staffing priority lists, and also for laid-off employees.

Beginning immediately, training will be provided to the department staff which will enable individual departments to conduct recruitment activities. Training will include group sessions and short internship. While in completion of the training program, departments will assume full staffing responsibility.

The Personnel Secretariat will continue to be available to departments on a consultative and advisory basis, should the need arise. As

departments' training needs are met, staffing authority will be delegated by administered departments. Departments will then be fully accountable for their staff decisions, rather than sharing the accountability with Personnel.

It is intended to sunset the four positions as the need for training and assistance is reduced, no later than the end of this government's term of office. We will sunset all the other positions in Personnel and then the departments will have full responsibility.

Departmental staff have received practitioner training. The Personnel Secretariat will continue to provide a recruitment service. However, departments can expect to be more involved than they have in the past. These recruitment actions will be used as a training session and will facilitate a smooth transfer of the authority, Mr. Speaker.

Departments will assume full responsibility for casual employment. Applications for casual work will apply directly to individual departments for employment. Similarly, summer students will also apply directly to departments for summer employment opportunities.

The secretariat will play a coordinating role for student and casual employment by referring candidates to the departments and meeting with individuals to discuss employment. As well, Mr. Speaker, compliance with the policy and procedures, the secretariat will review all staffing appeal decisions to determine if departments have misapplied policies or failed to follow established procedures. Corrective action will then be recommended, Mr. Speaker. Complaints that cannot be addressed through the appeals process will be investigated by the Personnel Secretariat. Appropriate reports and recommendations will then be prepared.

The Minister of Finance who is responsible...

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MR. SPEAKER:

Mr. Morin, I believe you did answer the question. Thanks. Item 6, oral questions. Mr. Erasmus, supplementary.

MR. ERASMUS:

Thank you, Mr. Speaker. Actually, he didn't answer my question, but I'm glad he had lots of water there to keep his throat a little bit wet. What I wanted to know...

MR. SPEAKER:

Excuse me. Please be seated. Mr. Erasmus.

Supplementary To Question 315-13(3): Plan For Devolving Staffing Functions

MR. ERASMUS:

Thank you, Mr. Speaker. I am glad the Minister finally is explaining how the process will work. Is it possible we could get some kind of a briefing, as the ordinary MLAs haven't had any type of briefing. Some of us have a hard time understanding things if it is just read to us. It would be nice to have a nice little briefing with those nice little coloured pictures the staff makes, so we could really understand how things are going to be coordinated. Is this a possibility? I know we will be having a few days of Caucus after the session is over.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 315-13(3): Plan For Devolving Staffing Functions

HON. DON MORIN

Thank you, Mr. Speaker. I would be pleased to do that with Caucus. I will set it up and send a letter around, I will work with the chairman of Caucus and share the information with you. Thank you.

MR. SPEAKER:

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

Question 316-13(3): Briefing On Coordination Of Public Affairs

MR. OOTES:

Mahsi cho, Mr. Chairman. I wonder if the Premier could also tell us if a similar briefing could be provided of how the communications officers and public affairs officers work within the departments. A similar process has happened in that end where there is no centralized coordination by the public affairs office, to the best of my understanding.

MR. SPEAKER:

Thank you. Premier, Mr. Morin.

Return To Question 316-13(3): Briefing On Coordination Of Public Affairs

HON. DON MORIN

Thank you, Mr. Speaker. It is my understanding that departments have, in the past, always done their own work in communications. There was never a central agency or central press office. So those things will continue to happen. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to Opening Address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12,

reports of committees on the review of bills. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Mr. Ng.

ITEM 17: FIRST READING OF BILLS

Bill 14: Legislative Assembly And Executive Council Act, No. 3

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Nahendeh, that Bill 14, Legislative Assembly and Executive Council Act, No. 3, be read for the first time. Thank you.

MR. SPEAKER:

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

SOME HON. MEMBERS:

Question.

MR. SPEAKER:

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

--- Carried

Bill 14 has had first reading. Item 17, first reading of bills. Item 18, second reading of bills. Mr. Ng.

ITEM 18: SECOND READING OF BILLS

Bill 15: Statute Revision Act

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Nahendeh, that Bill 15, Statute Revision Act, be read for the second time. Mr. Speaker, this bill provides for the appointment of a statute revision Commissioner and for the preparation, approval and coming into force of the revised statutes of the Northwest Territories, 1998, and the statutes of Nunavut, 1999. Thank you, Mr. Speaker.

MR. SPEAKER:

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

SOME HON. MEMBERS:

Question.

MR. SPEAKER:

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

---Carried

Item 19, second reading of bills. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I respectfully seek unanimous consent to waive Rule 69(2) and have Bill 15 ordered into Committee of the Whole. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. The Member for Kitikmeot is seeking unanimous consent to waive Rule 69(2) and have Bill 15 ordered into Committee of the Whole. Do we have any nays?

AN HON. MEMBER:

Nay.

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MR. SPEAKER:

There is one nay. You don't have unanimous consent. Accordingly, Bill 15 stands ordered to a committee.

Item 19, consideration in Committee of the Whole of bills and other matters: Bill 7, An Act to Amend the Workers' Compensation Act; Bill 8, An Act to Amend the Income Tax Act; Bill 10, Budget Measures

Implementation Act, 1996-97; Bill 11, Appropriation Act, 1996-97; Bill 12, Legislative Assembly and Executive Council Act, No. 2; 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; Tabled Document 1-13(3), Report of the Commission on MLA Compensation, with Mrs. Groenewegen in the Chair.

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

CHAIRPERSON (Mrs. Groenewegen):

I will call Committee of the Whole to order. When we adjourned yesterday, Committee of the Whole was considering detail of capital, community plans and lands, under Municipal and Community Affairs. I would like to know what the wishes of the committee are today. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I would recommend that we would carry on with the departmental review of Bill 11, Appropriation Act, 1996-97, and the Department of Municipal and Community Affairs.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Does the committee agree?

SOME HON. MEMBERS:

Agreed.

--- Agreed

Bill 11: Appropriation Act, 1996-97

Department Of Municipal And Community Affairs

CHAIRPERSON (Mrs. Groenewegen):

We will recess for 15 minutes.

--- SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen):

I call the committee back to order. We are dealing with Municipal and Community Affairs, detail of capital, page 10-31. Would the Minister like to bring in her witnesses?

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Yes, I would like to bring in my witnesses.

CHAIRPERSON (Mrs. Groenewegen):

Does the committee agree that the Minister could bring in her witnesses?

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Would the Sergeant-at-Arms please escort the witnesses in? Thank you.

For the record, the Minister's witnesses are Penny Ballantyne, deputy minister; Vern Christensen, assistant deputy minister; and, Jim France, director of finance.

Detail, buildings and works, Keewatin, total region, \$2.172 million.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Buildings and works, Kitikmeot, Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, I had question in relation to the money allocated towards Rankin Inlet. I was wondering whether or not the department has an idea how many of these developed lots are being utilized by the community. How many have been bought by the people and how many are being obtained by the commercial businesses in this community, at this point in time?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I don't have the specifics. I will ask Mr. Christensen to provide that information. I do know that the majority of the lots in that area are used by local people who own their own homes. There are ACCESS homes and apartment buildings. To my knowledge, there are really no commercial buildings. They are mostly all local people.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. I don't have the specific breakdown here but consistent with the advice the Minister just gave, it is predominantly a residential subdivision with some institutional lots and there may be a small number of commercial lots. They are very small in terms of the total numbers of the lots.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Could the Minister indicate to us what the prices are for these lots and how much this government sees it being able to recover from the people who are going to be using these lots?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer this question to Penny Ballantyne.

CHAIRPERSON (Mrs. Groenewegen):

Mrs. Ballantyne.

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MRS. BALLANTYNE:

Thank you, Madam Chair. Madam Chair the hamlet of Rankin Inlet leases these lots currently to residents. The hamlet itself sets the lease price for the units.

The department will be recovering \$1,000 per lot from the hamlet for these lots. Thank you, Mr. Chairman.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Ballantyne. Mr. Steen.

MR. STEEN:

Madam Chair, could you give the committee an idea how much that would add to in total? Madam Chair, I am not familiar with exactly how many lots we are talking about here, but \$1,000 a lot doesn't seem like very much in relation to what we are paying for the development. I am trying to get an idea of how much we are looking at that would be recoverable by this government.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mrs. Ballantyne.

MRS. BALLANTYNE:

Thank you, Madam Chair. The department is in the process of reviewing its land development policy with communities. A land reform discussion paper has been circulated to all communities and the department will be consulting with all hamlet and other councils with respect to how we can recover more of the development costs of land. As Members are aware, development costs are quite high in many of the communities and, historically, the amounts recovered through leases have not been sufficient to cover the full cost of development of the land. What we are talking to communities about is what is a fair way of recovering the total cost of the development of those lots. For the time being, the communities do have the authority to set the lease prices. The department requires from Rankin Inlet, a minimum of \$1,000 per developed lot for now. We are expecting that will change after the consultation process is complete and a new land development policy is brought forward for approval. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Ballantyne. Mr. Steen.

MR. STEEN:

Madam Chair, I believe in my communities the government policy is to recover the total price of the lot from the Housing Corporation. In the past, I believe there was a rate recoverable from private home owners and new developments. There was also what

was considered the economic price of the lot that was recoverable from the Housing Corporation. I wonder if this is the same policy in Rankin Inlet.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mrs. Ballantyne.

MRS. BALLANTYNE:

Thank you, Madam Chair. The same policy applies to all of the communities. The difference is in how much MACA recovers from the community. In the case of Rankin Inlet, because these lots have piped services, it costs more to develop them. Therefore, the department requires a higher payment from the municipality for these particular lots.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, is the witness suggesting that the Housing Corporation would pay the economic rate for those lots?

CHAIRPERSON (Mrs. Groenewegen):

Mrs. Ballantyne.

MRS. BALLANTYNE:

Thank you, Madam Chair. Madam Chair, when people in communities get houses from the Housing Corporation, they pay the residential lease price in communities where they are leasing the lots. So right now, in most communities, those people are paying \$250 a year. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, my question was what would the Housing Corporation pay for those lots.

CHAIRPERSON (Mrs. Groenewegen):

Mrs. Ballantyne.

MRS. BALLANTYNE:

Thank you, Madam Chair. The Housing Corporation does not pay for those lots. Those lots are leased by the residents. Is the Member referring to lots that were purchased in the past by the Housing Corporation for rental housing, because for private home owners, the home owners themselves get their lots from the municipality? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Ballantyne. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, in my communities, I understand that if anybody hired goes through the Housing Corporation to obtain a house under the home access program, they pay the economic rate for that lot. That could be anything from \$250 to whatever it costs the government to develop that lot. Now I understand from the witness that this is not the case in Rankin Inlet.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer this to Mrs. Ballantyne.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mrs. Ballantyne.

MRS. BALLANTYNE:

Thank you, Madam Chair. It is my understanding that, in all communities of the Northwest Territories, when private home owners receive housing assistance from the corporation to build their own homes, they pay whatever the price is in their community to lease that lot. In most communities, it is \$250. In Rankin Inlet, on these new lots, the community itself will set the lease price. The \$1,000 I am referring to is what MACA will require the municipality to pay back for those lots. The community itself will decide how much of that they're going to charge their residents.

It is really in line with MACA's policy of having municipalities assume control for the disposition of lands within their municipal boundaries. But it is not my understanding that

private home owners would be required to pay the full economic costs of the lot.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Ballantyne. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I think that satisfies my question on that point.

I have another question with regard to the future requirements as stated by the development plan. Yesterday, it was suggested that it would serve the community to the year 2002. I don't wish to get into an argument about what is considered as development and preparation of Nunavut, versus what the federal government has given this government with regard to funding at this time. But I cannot help taking into consideration the fact that the federal government says they will make money available for development and expansion of the communities in preparation of Nunavut. That is to be part of the \$150 million.

What I would like to know is how many lots does this community need developed until the year 1999. After that point in time, I believe it is up to the Nunavut government to deal with this particular issue. I would like to know how many lots this community needs until 1999 and, of that overall package of \$12 million, what amount of that money do they need until 1999.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. For 1996-97, they require 21 lots; for 1997-98, they require 23 lots; and, for 1998-99, they require 23 lots. I will refer the question to Mr. Christensen for the capital costs of those lots in those years.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. We have forecast, for those three fiscal years, \$1.535 million in 1996-97; \$1.673 million in 1997-98; and, \$1.297 million in 1998-99.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. In keeping with Mr. Ningark's remarks yesterday as the chair, I think we will move it around a little bit and then come back to continuing on that line of questioning after having given some of the other Members a chance. Would that be all right, Mr. Steen?

MR. STEEN:

Madam Chair, I'm finished. I think the breakdown allows for future consideration.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Krutko.

MR. KRUTKO:

With regard to page 10-31, Keewatin; the thing that jumps out is the overall capital cost of the whole project. It is \$12 million. Right now, we're talking about restraint, we're talking about trying to cut back; yet, I don't see too many projects in the other areas with regard to residential subdivision development of over \$1 million in any of the other regions. There has to be demand in the other areas because we're saying that there's a shortage of housing. In my riding, I see we have \$30,000 to do some work. There's a lot of difference between \$30,000 and \$1.5 million. Have you done an assessment of exactly where the most need is? Was Rankin picked because it was in the bid to become the capital of Nunavut? Was that part of the preplanning process that was put into it, because of the influx of people with becoming the capital? When they made the decision, were they going to pour \$12 million into there, with the intention of it eventually becoming the capital? That is no longer an issue. Was that a factor that was built into making the decision to allow \$12 million to go in there over the next couple of years?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. The answer is no. The new residential subdivision has been programmed into the capital plan since 1988 when the Rankin Inlet council identified this area in their capital plan as being the hamlet's next expansion area. So this has been going on for quite some time. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Krutko.

MR. KRUTKO:

I believe in other ridings they also have plans of developing and expanding. Has the department cut in other areas where they already had plans to develop these subdivisions in the five-year capital plans of other municipalities?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will be referring this question to Mr. Christensen.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. Our land development forecasting plan for the next five years is based on what the department forecasts will be the lot requirements in communities over that period of time. The amount of money that we spend in any particular year in a community is based on trying to have enough developed lots in inventory so that, at least for the next year, and ideally for the next two or three years, there would be enough developed land available to meet the forecast demand.

It's very much a demand-driven capital plan that we have for land development. In our capital forecasting plan, we've identified for every community -- for every non-tax-based community, at least -funding to meet that demand.

The anomaly with respect to Rankin Inlet is that the lots, in this case, have piped services, which require more to construct. So for piped water and sewer serviced lots, there is a higher initial capital cost relative to the lots that receive only trucked services. Thank you.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. The whole issue about need ... Right now, you're saying these are residential lots, yet we've just heard that the federal government has cut the CMHC program by \$10 million. There are about 3,000 houses that are needed in the North. Do you think that, with these cuts we're seeing coming from the federal government, it will be hard for individuals to acquire funding to build houses in these communities? That seems to be the biggest concern we have, is that there are just not enough resources. If you're saying that this is how much money you're spending over the next couple of years for subdivisions, basically what you're saying is that you're going to need individuals to build houses yet there aren't enough housing units to go around for all the communities in the Northwest Territories. My point is that if we are spending in the range of \$12 million in one particular area because of the need of housing, where are you going to get the revenues for these people to build housing? We don't even have enough revenues to access a program to build these units, and other areas are cutting back on funds to develop new subdivisions when there just aren't enough resources out there for people to access funds to build housing units in the smaller communities.

Maybe you could tell me exactly where all the revenue is going to come from for all these houses to be built. Are all the ACCESS dollars we have in the Northwest Territories going to go to Rankin, because they'll have all the land developed but no one else will?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. In Rankin Inlet, the people are building their own homes through funding sources other than the Housing Corporation. There is only a small percentage of ACCESS homes in that area. A lot of the people in Rankin are buying their own materials and building their own homes, or bringing in trailers for those lots. So there is a need for these lots for those people who want to build their own homes and get out of the rent increase situation that is coming up. There is a shortage of lots in Rankin for people who are finding other ways of building homes. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Learning from previous experiences, such as the subdivision development in Inuvik and other areas where funds were spent to develop these subdivisions, because of the turn in the economy or whatever, they just could not sell those lots. Someone got stuck holding the bag. At the end of the day, it's usually the taxpayers who have to offset that debt or this government, through MACA, has to come in and bail them out. I think that's something we should take a look at here. It's great to build subdivisions but, at the end of the day, if you cannot sell those properties and try to recoup your dollars, someone is going to get stuck holding the bag. We're talking about cutting \$150 million and this is probably one of the largest expenditure items in this budget; in the range of \$12 million.

So I think that should also be taken into consideration, that you don't take the risk that the department has done in other areas. If you're going to do it with the limited resources we have, we should seriously consider holding back on large expenditures such as these ones until we get out of this financial mess that we're in.

(Microphone turned off) ... around the North, of developing subdivisions with the idea such as being able to sell these properties for residential use. All it takes is a change in the economy and we're stuck holding the bag with a deficit of \$150 million. We should seriously look at finding better uses for these revenues.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. In this particular community, there is a large demand for lots for building homes by the individuals. I know that there is a list of people who are trying to get lots in this subdivision to build a home. I understand the concern of the Member, but we are, at the hamlet level, monitoring the cost of these lots. I just tabled a document on land reform initiatives, where the community will have to look at other options of recovering the cost of the land. This is just a new initiative and this is one of the changes that have

happened in our department. We realize that there are those concerns. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. With regard to the comment that it's a growing community and they need more land; in the case of Fort McPherson, for instance, we don't have any more lots within the community for residential areas. We're now moving out towards the airport, to look at developing a subdivision there. In our capital for that subdivision, in 1998-99, we're getting \$8,000; in 1999, \$39,000. I don't see anything in the range of \$1 million. We're talking slow projects and another \$20,000 to develop that, with a total of \$143,000 for a community of over 1,000 people.

The balance isn't there. They are stuck in the same boat as Rankin, with regard to finding new areas to look at developing residential lots. It seems like there is a real discrepancy; everybody is probably stuck in that scenario today because the communities are growing, we have growing populations, we have a need for infrastructure. The communities are expanding, but for my community of Fort McPherson, we get \$143,000; and in the case of Rankin, you get \$12 million. Isn't there a balance here to justify residential development? It costs \$500 a cubic yard in Rankin and it costs \$1 in McPherson. Is there that much of a difference? Something isn't jibing here.

At the appropriate time, I would like to look at tabling a motion on this item.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. It wasn't really a question. Do you have any comments, in response, Madam Minister?

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--- Interjection

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I would like to make some comments on this. My understanding is that Rankin Inlet is a general taxation area; yet with a population of 2,400 people, there are other communities in the Territories that are tax-based. I understand that the community is evolving and growing and so forth. I have not been there for several years, but I do understand that the business community is growing there. I wonder if the department shouldn't, at this point, start looking at -- and I don't know the process -- seriously making this a tax-based community.

Dealing with the lots, I've been told that they're leased to the residents and it's up to the community to set the lease rates. If I understood correctly, MACA will require this money to be paid back. I guess that's my first question. Is this money going to be paid back by the community?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Yes, this will be paid back to the department by the community.

In the other comment about taxing the communities, we have been in discussion with the NWTAM with regard to that, and it's part of our municipal financing. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Ootes.

MR. OOTES:

I'm making an assumption here, that this community cannot pay back \$12 million in a short period of time for these lots. I don't need an answer to that, I'll make the comment. I know enough about finances to say to you that that would be pressing things.

There is a demand in other communities. Even though that isn't identified in this particular part of the budget, I'm sure there's a demand elsewhere. Also, I'm sure there's a demand for other programs. I personally find this a blatantly large amount of money to be spent on this particular project; especially considering the many needs that we have elsewhere in the Territories. I, personally, think that if we include it in this budget, that \$6 million will have been spent and \$6 million more will be spent in the future. I also understand that there will be apartment buildings on

this particular site. I understand people need houses and residences and places to live. We're all sympathetic to that. But this kind of money is extremely heavy. I, personally, feel this requires a lot of scrutinizing and a lot of consideration.

I think if all we're doing it for is a future investment, we're out of future investments. I don't think we can afford to make future investments of this nature. That has to be put on the back burner. We're here fighting fires, I hear Mr. Krutko talk about his water problem, at cetera, et cetera. The communities need housing; \$6 million will go a long way towards housing over the next couple of years.

This is an anomaly and I think we should recognize it as such. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. There was no question that I heard. Did you want to respond, Mrs. Thompson?

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I would like to thank the Member for his concern. There has been a real need for these lots. With the government's promotion of people owning their own homes, this is one of the needs that is meeting the initiative of this government that people be given a place to build, then they can get into home ownership. Without a place to build, the people who are employed have to rent homes from the government; they don't want to but they don't have any other choice. I understand what the concern is and I thank the Member for that. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Enuaraq.

MR. ENUARAQ:

(Translation) Thank you, Madam Chair. As the Minister of MACA mentioned yesterday, the Member for Kivallivik, Mr. Kevin O'Brien, and the Minister said that ... For example, in Pangnirtung, Broughton Island and Clyde River, there are a lot of things that those communities don't have, but they do have them in Rankin Inlet. On page 10-30, the total for Baffin is \$45,000, under various, Baffin region. It will be split between three communities. Once we get to Rankin Inlet, for just a single community, it's very close to \$13 million.

I understood clearly when the Minister mentioned about the community of Trout Lake. She mentioned that even though the population is not high, as long as they are human beings they will have to provide those services.

If the money is not spent equally in different communities, I think there should be improvements within this government for planning of the communities. These are major items that MACA is responsible for, because it affects all the communities. There is \$12.772 million given to one community. It makes me wonder where we went wrong. I just wanted to make that comment. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Enuaraq. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I appreciate the comments by the Member. When I referred to a comparison between Arviat and Rankin, it was discussed at that time that there was a comparison being made. I made that comment, and also that we are accountable to small communities as much as we are accountable to the bigger communities. That was with regard to water or health reasons. It was not with other areas of the government functions. I was referring to a health situation in defence of the smaller communities in the Territories. Thank you, Madam Chair.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. I will refer to page 10-31. Building and works, Keewatin, total region, \$2.172 million. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, I understand from the Minister that part of the cost associated with this project is in relation to a utilidor system. A utilidor system is almost like a special benefit to most communities in the North. It's not something you find in the average community. I think only the larger centres can actually boast of having utilidor systems.

Bearing in mind the financial restraints of this government and the number of sacrifices we're all being asked to make, I wonder if this community really needs this utilidor system at this point in time. It

seems to be driving the cost of the lots up. Obviously, it's associated with development costs.

I'm also wondering if phone lines and power lines are all included in these costs, because I recall in some of my communities where MACA developed the land and then we had to fight to find money for the power lines. It wasn't all tied in at the same time. We had to find money for power lines. Then all those people wanted phone lines. That was something else again. I had to get the government to cover the cost from NorthwTel separately. I am wondering if all these costs are tied into this project. Perhaps the Minister could tell me if it would be a big problem to develop these lots without the utilidor system.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. On February 8, 1991, at a special council meeting attended by the Honourable Tom Butters, the hamlet presented arguments in favour of installing pipe systems for Rankin Inlet. The reason is, while trucked services may be marginally more cost effective, piped services were the most appropriate choice when viewed from a broader perspective. Other issues were also considered, such as quality of life, firefighting capabilities and the quality of servicing part of the community at a lower standard than had historically been done.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Steen.

MR. STEEN:

Could the Minister give us an example of what those lot prices are? She said trucked service lots in Repulse are \$38,000. What are utilidor service lots in Rankin Inlet?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. The cost for utilidor lots would be about \$50,000. The cost of lots in Repulse Bay are much higher than that. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Steen.

MR. STEEN:

(Microphone turned off)

CHAIRPERSON (Mrs. Groenewegen):

I believe we understood \$50,000.

MR. STEEN:

Madam Chair, the Minister also said that a developed trucked lot in Repulse Bay was \$38,000.

CHAIRPERSON (Mrs. Groenewegen):

Is that correct, Mrs. Thompson?

HON. MANITOK THOMPSON:

Thank you, Madam Chair. This is what I said. Repulse Bay is currently approximately \$38,000 a lot. The new lots last year, because the rocks had to be crushed, were costing \$80,000 or \$95,000 a lot because there is no more gravel. They were \$38,000 a lot for the lots before. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I wonder if the department would have a quote for a trucked lot in Rankin Inlet.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Steen. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. A lot that has trucked service in Rankin Inlet is probably about \$18,000 without the cost of the truck delivery and sewage pump-out. The \$50,000 a lot would include the cost of the service to the lot. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I will ask this question and then I will let someone else ask. Does the community have access to sewage, pump-out and water delivery system by truck?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Steen. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Yes, they do at this time.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister. Continuing on, we will go to Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Thank you, Madam Chair. I just want to make a comment. I am not pointing a finger at the Minister. She is a new Minister dealing with this department. Perhaps if I had read through the main estimates previous to our meeting and under general

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comments, maybe I should have brought up my comments. However, being on page 10-31, looking at this page and the amount of funding, it is over \$12 million. I am happy that this would be allocated to the Nunavut region; however, part of the communities in my constituency have projects in the five-year capital plans; some have been deferred, however. That is the way I am understanding it. Why didn't they defer this funding for another time? I have heard from the people that the Ministers'...It has been said before that the ridings of the Minister tend to get more capital projects than any other ordinary Members' ridings. This has been done in the past. St.

Listening to the CBC News this morning, the government has already made five-year plans for each community. So those plans can't be changed in between those five years. I am not particularly...

CHAIRPERSON (Mrs. Groenewegen):

There is a point of order being raised by the Premier.

Point Of Order

HON. DON MORIN

Thank you, Madam Chair. I don't know if the translation came across correctly. It is my

understanding that the Member says that Ministers' ridings get more capital than ordinary Members' ridings. That isn't true. Capital is given out by this government on need and need only. If the Member is saying that the Ministers of this government are pork-barrelling into their riding or padding their riding, that isn't a true statement. I would like that statement taken back. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Premier. I can't say for sure whether the Member said that Ministers' ridings do receive more or it would appear to be that they receive more, but we can check the transcripts to see exactly what Mr. Evaloarjuk did say. It is a good point raised in that Members should be cautioned not to imply motives or attribute actions to Ministers which could be speculative and negative. We will defer a ruling on that statement until we have had a chance to look at what he said.

MR. EVALOARJUK:

(Translation) Thank you, Madam Chair. I apologize for the short comment I just made. However, being a Canadian, I cannot just sit back and listen to what is being said without having the freedom of speech. However, we have to abide by laws that have been established for us. Having said what I just said, I just wanted to make that comment because in the past, it seems like that has been the case. However, I apologize for the comment I just made. Being Members of the Legislative Assembly, we are told that we can't change plans that have already been in place from previous operations of government. I just wanted to say that I am quite happy about this funding. I am asking this question. Will I be able to get half of this \$12.5 million for my communities? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Evaloarjuk. Madam Minister.

HON. MANITOK THOMPSON:

(Translation) Thank you, Madam Chair. We can't just go in there and take half the money. I am saying no. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Buildings and works, Keewatin, Mr. Krutko.

MR. KRUTKO:

I would like clarification. You are saying that anything that is in the capital plan to date can't be changed. So once we make a decision here, we live with our decisions. Using Rankin Inlet, it says future years, \$6.714 million. That can be changed. You said nothing can be changed once it is in here and I don't think that is the case. That is why we are here debating it. This is the only place where we can make changes to the budget.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will be referring that to my experienced staff, Mr. Vern Christensen.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The amounts that we show in our capital forecast for land development projects will vary from year to year depending on the demand that is forecast. If certain things happen affecting the demand for land in a particular community, then the amounts the department will bring forward in the subsequent fiscal year will be modified accordingly.

In Rankin Inlet, we would only plan to have one to two years of supply in advance of the demand that we anticipate occurring in the communities. So while a project may show a large amount of money being spent, it is being spent over period of time and the phase-in of that work will be adjusted to reflect the actual demand that is materializing for land in the community. If an excess supply is accumulated, subsequent work would be deferred. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. The process of the government is to now sell off government housing, Based on the Member from Rankin's statement, he said there will be no problem getting rid of these units.

Have you looked into the scenario of what kind of an impact that will have with regard to this development and having people retaining government units? That will require the purchase of those units. That will have an impact on the number of properties you will have to develop.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. The people who live in the staff houses are not the problem in this case. It is the people who are working on their own or the people who are in overcrowded situations who would like to build their own homes, in whichever way they can.

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Those are the people we are trying to get the lots for. The houses have already been sold to the government employees who live in those homes. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mr. Krutko.

MR. KRUTKO:

I don't know how many staff units there are, but there will be a change in circumstances from these people acquiring those houses. Those people who wanted their own houses didn't have the opportunity to purchase government houses. They took advantage of the ACCESS program or went to other areas to acquire those units. With the amount of residential houses on the market and because of this transaction, it will have an effect on the process. There will be a change in circumstances. Have you considered what that will be with regard to the costs of developing these subdivisions?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. All of the units that belong to the government have already been sold. 1, for one, can say that when the first initiative to sell staff houses happened two years ago, most of all the units

were already sold. In this case, the statement is not true. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister. Any further, Mr. Krutko?

MR. KRUTKO:

I didn't mean not to tell the truth, I am just trying to use a scenario. The point I was making is there is a change in the real estate market because of the fluctuation. These dollars were put in the five-year capital plan and this only took place in the last two years. We are still within that time frame when the estimated \$4.5 million was spent. We are talking about a short time frame when the government started getting into selling these units. I don't think that was taken into account because we are talking about a time frame of a five-year or 10-year capital plan. Circumstances haven't changed and dollars will roll, but almost \$1.5 million a year for the next five years has been accounted for.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mrs. Thompson. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. This plan has been in existence since 1993 and is until the year 2003. It is long-range planning. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, my question is to the Minister. What would be the consequences of amending the amount of funding per year? Are some tied in with negotiated contracts or is there a funding agreement between the hamlet and this government for X number of dollars a year? What are the consequences here?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. The consequences would be that the people who are in the overcrowded situation, who would like to find some other way of

building their own homes, wouldn't be able to as a consequence of those people. I will ask Vern to continue with this.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The consequences would be, as the Minister points out, that there would be a demand for lots which are greater than the supply of lots that are available. The department is also, through the review of municipal legislation, looking at trying to create the opportunities for municipalities to borrow for land development projects. The major municipalities presently can borrow and finance their land development projects through borrowing. That ability is not available to hamlets such as Rankin Inlet at this point, but is an area that is under some consideration in the municipal legislative review, which would offer another opportunity to finance land development projects. Without that ability for an alternative source of revenue to develop land, it would force the creation of a deficit, in terms of the lots required, and people would need to wait until the land became available for their purpose. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, my question was whether there are negotiated contracts in place for this project, whether or not there was a funding agreement with the hamlet which commits this government to X number of dollars per year. Those are my specific questions. With regard to the consequences for shortage of housing, the Minister said this would probably be a result. However, I understand from the Minister that we can have a reduced amount for lots for Rankin if we didn't go with the option of the utilidor. In other words, they could build trucked lots for \$18,000 per lot, rather than \$50,000 for utilidor lots. There is an option available for a cheaper lot. That would serve the purpose of the shortage of housing.

I still require answers as to whether or not we are tied in with funding agreements with this community.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. There are no funding agreements with this community. The contracts for building those lots are given year to year. The community had decided in 1991 that it was better to have a utilidor system because, in the long run, this would cost less than a trucked service. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I recall years ago that my community would have preferred to have a utilidor system as well. We were told the government couldn't afford it. So we are going with trucked lots and we are

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stuck with them. What we want and what we need seems to be two different things. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister, I didn't hear a question there. Did you want to respond to the comment?

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I would just like to thank the Member for his comment. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Miltenberger. You aren't in your seat. Mr. Krutko.

MR. KRUTKO:

I would like to move a motion to defer this item. I move that we defer further consideration of the item buildings and works, Keewatin region, community planning and lands, detail of capital of the Department of Municipal and Community Affairs, at this time.

CHAIRPERSON (Mrs. Groenewegen):

There is a five-minute break being requested.

--- SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen):

The motion has been distributed and translated. I'll ask Mr. Krutko to read his motion for the record.

Committee Motion 8-13(3), To Defer Consideration Of Building And Works, Keewatin Region, Carried

MR. KRUTKO:

Thank you, Madam Chair. I move that we defer further consideration of the item buildings and works, Keewatin region, under the activity community planning and works, detail of capital, for the Department of Municipal and Community Affairs, at this time.

CHAIRPERSON (Mrs. Groenewegen):

The motion is in order. To the motion.

SOME HON. MEMBERS:

Question.

CHAIRPERSON (Mrs. Groenewegen):

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

--- Carried

Buildings and works, Keewatin, total region, has been deferred. We will continue on with buildings and works, Kitikmeot, total region, \$742,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, headquarters, total region, \$100,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, Fort Smith, total region, \$154,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRPERSON (Mrs. Groenewegen):

Mr. Steen.

MR. STEEN:

Madam Chair, I wonder if I could go back to contributions, headquarters. It refers to granular material studies, various.

CHAIRPERSON (Mrs. Groenewegen):

Does the committee agree that we go back to contributions, headquarters?

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Go ahead, Mr. Steen.

MR. STEEN:

Madam Chair, my question is with regard to the letter that I received which was from the Department of Transportation to MACA, that MACA is responsible for issues with regard to granular materials. I presume this is for my communities, as well. This granular material studies.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I'll refer that to Vern.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The department has a very limited budget to do studies related to granular material development plans, assessing inventories and to assist the tax-based municipalities in that area,

but we do some similar studies in communities other than the tax-based municipalities. We have focused our attention under this program to those communities that aren't addressed by Public Works and Services, under their granular materials program. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. This is going to be a hard one for me to address in any particular item in this budget. I am referring to development of granular sources for communities. I believe some of the granular sources are outside of the municipal boundaries. Who is responsible? Which department would be responsible? Would MACA be responsible for constructing access roads to these granular sources outside the municipal boundaries?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister.

HON. MANITOK THOMPSON:

I will ask Mr. Christensen to answer that. Thank you, Madam Chair.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. Typically, if a granular material source is required for community use and it's outside a municipal boundary, the access road to that project would be funded as part of the quarry development project by Public Works and Services. That would be the arrangement that it would normally be funded under. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Is the witness suggesting that the overall spearheading of that particular project would be with MACA?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Christensen.

MR. CHRISTENSEN:

I'm sorry. Could the Member clarify the question, please?

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen, could you ask your question again, please?

MR. STEEN:

Madam Chair, if the community identifies the source and it seems the most economic source, does the Department of MACA then take on the responsibility of obtaining funding to reach that source, or is that done by Transportation or DPW? I don't suppose it would be done by DPW.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. Through the capital planning process, we would work with the community to identify the source of funding for the access road to the granular source that has been identified by the community.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Contributions, headquarters, total region, \$100,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, Fort Smith, total region, \$154,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, Inuvik, total region, \$566,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, Baffin, total region, \$43,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions,

Keewatin, total region, \$541,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions,

Kitikmeot, total region, \$425,000.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Total contributions, \$1.829 million, is deferred, and total activity, \$8.445 million, is deferred. Continuing on to page 10-34, detail of grants and contributions, grants, \$4.789 million.

SOME HON. MEMBERS:

Agreed.

--- Agreed

CHAIRPERSON (Mrs. Groenewegen):

Contributions, the total of which is not until you get to page 10-37. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. On contributions, the water/sewer service subsidy program ... Can the Minister tell me of the amount of reductions that are given to the municipalities for their water/sewer program?

CHAIRPERSON (Mrs. Groenewegen):

Mr. Roland is not finished his question yet.

MR. ROLAND:

Thank you, Madam Chair. More in reference to the new subsidy program that they're coming up with. I would like to know more about this 'yardstick efficiency' they speak of.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer that question to Vern Christensen.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. In reviewing the water and sewer subsidy program, and reducing expenditures in that area, the department looked at various communities in the Northwest Territories and attempted to come up with some benchmarks as to what is an efficiently run system and compared how other communities are delivering their service, and estimated, based on that analysis, what budget they felt a community would require to operate and maintain the water and sewer system. On

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the basis of that, they came up with allocations which would be given to communities by way of block funding under the reformed water and sewer services policy.

It might be of interest to the Member that of the communities that have largely piped water and sewer

services, Inuvik was one of the communities that was referred to as one of the more efficient communities. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Just a little more on this. What was the cost of installing the meters that were done recently?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The total cost of installing about 800 meters on the Inuvik water/sewer system was \$523,205, of which the Government of the Northwest Territories paid \$418,565 and the remainder was drawn from a reserve fund which had been accumulated by the Inuvik Utilities Planning Committee in managing that utilidor system. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. What will the cost of monitoring these meters be per year?

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. I don't have a precise estimate of what the cost would be just to monitor the meters, but it will cost more to monitor the meters and invoice consumers on the basis of a metered water and sewer system, as opposed to simply issuing invoices for flat monthly charges. Certainly, that's administratively easier than metering. However, there are a lot of benefits associated with having a metered water system. It provides the information that customers need to know that they are being treated fairly and equitably in terms of what they pay monthly

for the water they use, and it also encourages water conservation on the water/sewer system. It will also, as a result, defer capital expenditures on the water/sewer system that might otherwise be needed earlier because of the unchecked water demand on the system. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Can you give me an estimate of how much it would cost to monitor the system?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. We're told that it presently costs the Power Corporation about \$178,000 to administer water/sewer rates out of their total annual budget. They're unable to give us an estimate at this point of what the incremental cost would be. The town has suggested that, if they were to run the system, it would cost them \$180,000. So I suspect that that probably underestimates the difference in the incremental impact. That's the best information I have to offer at this time.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Has this estimated amount been included in the formula or in the transfer to the community?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Christensen.

MR. CHRISTENSEN:

Madam Chair, yes, the cost of administering a water rate system based on meters is included in the cost estimate of what it would for the town to efficiently manage their water and sewer system.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Ningark.

MR. NINGARK:

Thank you, Madam Chair. On page 10-35, settlement operating assistance program: "To provide a reasonable amount of funding to settlements to be used for locally determined administrative projects.' I'm wondering if this area is dealing with unincorporated settlements, rather than municipalities. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ningark. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Settlements and unincorporated communities. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Ningark.

MR. NINGARK:

Thank you, Madam Chair. My assumption is that when you talk about settlements, I assume you're talking about unincorporated settlements; small settlements which are not recognized municipalities as a hamlet, town or village. That's my understanding. I think the Minister indicated it's unincorporated settlements. I thought settlements meant unincorporated settlements. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ningark. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer that to Mr. Christensen.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. This refers to settlements and unincorporated communities. Some

settlements are incorporated as settlement corporations, or simply designated as settlements. Then we have another group of communities which are unincorporated and aren't settlements under our municipal legislation, and are unincorporated in that sense. All of those communities are covered by the settlement operating assistance policy. While they may not be called a settlement, they are eligible as an unincorporated community. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Ningark.

MR. NINGARK:

Thank you. For the record, Madam Chair, I am not against any community, whether it is a settlement or an unincorporated community. I just needed clarification. I think the Minister and her staff have provided that for me. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ningark. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. I have a question on the water and sewage delivery pick-up subsidy cost. Just picking a couple of communities for comparison purposes, does the department have any costs on water supply and sewer pick-up from Arviat and Fort Simpson, as an example? How much would it be in each of those communities? How much does it actually cost the home owner?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mrs. Thompson.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer that to Vern

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. At present, the water and sewer services subsidy policy is such that, in towns and villages, they have been charged .33 cents per litre for consumption in a village like Fort Simpson. In

Arviat, the rate is .27 cents per litre for residential consumption. What happens in the reform that the department has introduced for water and sewer services program is that it becomes the community's decision of what the rate structure will be in the communities. Rather than a subsidy based on a preset rate, the communities now have flexibility to set those rates themselves. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Henry.

MR. HENRY:

Does the department have any amounts on what a family of five in those two communities ... an average dollar amount that a family of five would pay in each of those communities.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. That would be 90 litres per person times five. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Madam Minister. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. Is the department giving any direction or encouragement to lessen this subsidy in the future, from \$8 million? We've heard the government talk about user-pay and community empowerment and so forth. Are there any plans by the department to look at communities? Is it possible for communities to pay the economic cost for water and sewer pick-up and delivery?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. Over the three years of the department's business plan, we have a total of \$9.8 million indicated annually. The way we are implementing in this initiative is to phase it in. In the first year, we believe there are additional opportunities to save additional funds in the operation of the system, but we recognize that it will take some time to

create the efficiencies that are possible in communities in the delivery of water and sewer services.

At the end of the three-year period of our business plan, we're estimating that communities will be operating services as efficiently as possible, if we are to contribute on the basis that we are now; if we are to maintain the subsidy levels now under the water and sewer. If we are to maintain the subsidy levels now for the next three years on a per community basis, and yet communities will still need to accommodate their growth in population within that fixed amount of money over the three-year period, we're estimating that communities will then need to be as efficient as they can be; maintaining rates approximately at what they are now.

We are, as a department, working with communities to help them become as efficient as possible. In terms of reducing the subsidy levels even further, that will be something that will impact directly on the question of affordability at the community level. We're addressing the initial phase of reductions. We're addressing our reductions to our budget for water and sewer subsidy by directly tackling opportunities to save through better efficiencies. To reduce the subsidy further than that, would affect affordability to consumers. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I have a question on water delivery; subsidized tax-based funding delivery of potable water where piped service is not available. I take it, from 1995-96 to 1996-97, there has been a total elimination of that subsidy.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Can the Member clarify his question, please?

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CHAIRPERSON (Mrs. Groenewegen):

Mr. Roland, can you repeat your question, please?

MR. ROLAND:

Thank you, Madam Chair. Water delivery subsidy tax-based, that's a total deletion of that subsidy.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. Yes, it is.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I'll use my own community of Inuvik where there is piped service as well as trucked services; is that also taken into the amount of reduction that the community is taking? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Madam Chair. I will refer that to Vern.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The water/sewer services subsidy program was revised to incorporate the provisions that were under the former program that was called water delivery subsidy tax-based. That program was eliminated. The subsidy provisions for tax-based municipalities were incorporated into the water/sewer subsidy program. So subsidy provisions continue, but not under the former program.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. So I take it what was in there before is now rolled into the water/sewer services subsidy program overall. That alone looks like it took a \$600,000 reduction and this \$2.664

million was supposed to be rolled into this amount. So the total reduction is over \$3 million to that program.

CHAIRPERSON (Mrs. Groenewegen):

Madam Minister.

MRS. GROENEWEGEN

Thank you, Madam Chair. I believe Vern Christensen has the details.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. In 1995-96, we expended approximately \$12.1 million. In this fiscal year, we are estimating roughly \$9.8 million in our budget. So the reduction, in terms of what we had available as a department for water/sewer subsidy in the past fiscal year and what we will have available this fiscal year, is roughly \$3.3 million less than last fiscal year.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Now that we know it is all into one lump now, the outcome of it is in a community where you have both piped and trucked water services, is the reduction the same as it would be in a community that was strictly piped. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. What the department has attempted to do is look at each system in terms of efficient operation, regardless of whether it is trucked services or piped services. If it is piped services, we have looked at it in terms of efficient piped services. The trucked services has been looked at in terms of efficiency. We have come to an assessment on that basis. There is no bias in the review we have done to prejudice one type of service versus another. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, in the hamlet communities, I believe there are two subsidized rates; one is residential and one is commercial. I wonder if the Minister could tell us how much subsidy the commercial sector receives from the government in one year.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. We don't have that level of analysis with us here, but that information could be provided.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Madam Chair, we have a figure in the budget for water/sewer subsidy program, \$8.808 million. Can the Minister give us an idea of how much of that figure would be applicable to the commercial sector?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. If we were to offer an estimate, it would be a guess on our part. I would have to ask if I could provide that breakdown later. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Madam Chair, I would be quite happy with a rough estimate.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

As a very rough estimate, Madam Chair, roughly in the order of 20 to 25 per cent of the subsidy would be for commercial subsidy. The remainder would be residential. Thank you, Madam Chair.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Madam Chair, can the Minister tell me if the Hudson Bay Company is considered a commercial unit? We are subsidizing the Hudson Bay Company.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. Yes, the Hudson Bay Company would be a commercial customer eligible for the subsidy. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Christensen. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, the Minister suggested that the subsidy applicable to water/sewage is applied to all communities. Part of the overall plan is to encourage communities to better handle their funding and to conserve consumption if possible. Madam Chair, does this subsidy program apply to all communities in the Northwest Territories?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Madam Minister.

HON. MANITOK THOMPSON:

Madam Chair, yes, it does. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, could the Minister tell me what the subsidized cost of water in Wrigley is?

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. The subsidy, based on efficient costs, we estimate to be \$96,000.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Madam Chair, in a community like Tuktoyaktuk where we have a water/sewage by-law, there is a subsidized rate and a commercial rate. I want to know what the subsidized rate for commercial and residential is in Wrigley.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. In Wrigley, I believe it is a situation where the department has not yet implemented the rates under the water/sewer subsidy program because of a long-standing issue with the community over the relocation of the community. There is some feeling locally, as I understand, that there was an obligation to deliver water there at no charge. At this point, that issue has not been resolved locally with the community of Wrigley. That is an exceptional circumstance. Otherwise, communities would have been charged the rate, at the beginning of this fiscal year of .27 cents per litre for their residential water consumption. Now with the new water/sewer subsidy program, communities with the block funding transfer are able to set their own rates schedules and come up with their own way of setting rates in their community. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, the suggestion that all communities would have a lower subsidy allowance per community is the point of this questioning. If they don't have a by-law in place at this time, lowering the water/sewer subsidy to that

community isn't going to affect that community, but it will definitely affect other communities in the NWT. To make it fair to each and every community in the Northwest Territories, this government has to take the policy to assure that all these communities bear the cost in some form for the services, including the subsidy. That was my point. I know for certain that community doesn't pay anything for water at this point in time. I know communities in my region have to pay the cost.

My other question is with regard to how we take into consideration growth of a community, if we are going to have a set rate for water and sewer. Are we going to have a growth allowance in that subsidy formula?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Christensen.

MR. CHRISTENSEN:

Thank you, Madam Chair. There will be adjustments from one year to the next within the allocations to communities, as communities are able to become more efficient in the delivery of the service. The department's overall budget for water/sewer subsidy is not forecast to grow over the three-year period. We are anticipating that, by the end of the 1998-99 fiscal year, if there aren't forced growth increases to our water/sewer subsidy budget, there will be impacts on communities if we aren't able to provide additional subsidy; it will directly affect the affordability of service to residents. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I think I am running out of time here. I would just like to point out that that would be a concern in my community. If we produce more houses, then there will be more water and sewage consumption. Therefore, without a growth factor involved in the formula, we would have to reduce water and sewer delivery in other places in order to service those houses. That would be a concern.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. It is 2:00 and it is time to adjourn. I had one more speaker on the list, but I will rise and report progress. Thank you, Madam Minister, and witnesses.

MR. SPEAKER:

I will call the House back to order. Item 20, report of Committee of the Whole.

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ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MRS. GROENEWEGEN

Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 11 and would like to report progress with one motion being adopted. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you.

MR. SPEAKER:

Thank you. Seconded by Mr. Roland. The motion is in order. To the motion.

SOME HON. MEMBERS:

Question.

MR. SPEAKER:

Question is being called. All those in favour? All those opposed? The motion is carried. Item 21, third reading of bills. I would like to remind the Members that they are having the Kids on the Block show after this is over. I would like to encourage the Members to attend. Mr. Clerk, item 22, orders of the day.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, there will be a meeting of the Western Caucus at 3:00 p.m. this afternoon. Meetings for Monday, Mr. Speaker, at 9:00 a.m., of the Standing Committee on Government Operations; at 10:30, of the Standing Committee on Resource Management and Development; at 11:30, of the Ordinary Members' Caucus; at 12:00, of the Standing Committee on Government Operations.

Orders of the day for Monday, May 27, 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. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
 - Motion 11-13(3), Appointment Date of Languages Commissioner
17. First Reading of Bills
 - Bill 16, An Act to Amend the Workers' Compensation Act
 - Bill 17, Business Corporations Act
18. Second Reading of Bills
 - Bill 14, Legislative Assembly and Executive Council Act, No. 3
19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 5, An Act to Amend the Motor Vehicles Act
 - Bill 6, An Act to Amend the Education Act, S.N.W.T., 1995, c.28
 - Bill 7, An Act to Amend the Workers' Compensation Act
 - Bill 8, An Act to Amend the Income Tax Act
 - Bill 10, Budget Measures Implementation Act, 1996-97

- Bill 11, Appropriation Act, 1996-97

- Bill 12, Legislative Assembly and Executive Council Act, No. 2

- Bill 13, Loan Authorization 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

- Tabled Document 1-13(3), Report of the Commission on MLA Compensation

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

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MR. SPEAKER:

Thank you, Mr. Clerk. This House stands adjourned until Monday, May 27, 1996, at 1:30 p.m.