



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

**3rd Session**

**Day &-**

**13<sup>th</sup> Assembly**

## **HANSARD**

**A CB85M, OCTOBER 1996**

Pages - \$& - )'  
Pagination reflects print edition

**The Honourable Samuel Gargan, Speaker**

**MONDAY, OCTOBER 7, 1996**

Page 902

**MEMBERS PRESENT**

Hon. James Antoine, Hon. Goo Arlooktoo, Mr. Barnabas, Hon. Charles Dent, Mr. Erasmus, Mr. Evaloarjuk, Hon. Samuel Gargan, Mrs. Groenewegen, Mr. Henry, Mr. Krutko, Mr. Miltenberger, Hon. Don Morin, Hon. Kelvin Ng, Mr. Ningark, Mr. O'Brien, Mr. Ootes, Mr. Picco, Mr. Rabesca, Mr. Roland, Hon. Manito Thompson, Hon. John Todd

**ITEM 1: PRAYER**

-- Prayer

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

Good afternoon, Members. Orders of the day, Minister's Statements. Mr. Dent.

**ITEM 2: MINISTERS' STATEMENTS**

Minister's Statement On Launch of New Book - The Northern Circumpolar World

**HON. CHARLES DENT:**

Thank you Mr. Speaker. Good afternoon. Mr. Speaker, I am pleased to inform this House that over the noon hour today I took part in the launch of a new book. The Northern Circumpolar World has just been published as a resource for the Grade 7 Social Studies curriculum. I have distributed copies to each of you, and hope you will take time to look through this attractive and interesting new book.

The Northern Circumpolar World tells the story of a group of students travelling around the top of the world. Through their story, the book presents information on land forms, climate, flora and fauna, history and economy. It also provides information on northern peoples and their lifestyles, the challenges they face and the links they have forged with one another. An accompanying teacher's guide has also been published.

The Northern Circumpolar World is the result of a unique partnership among author Bob MacQuarrie, Reidmore Books and the Department of Education, Culture and Employment.

Mr. MacQuarrie is uniquely qualified to write this kind of book. As a long-time northern educator, he

understands the needs of students and teachers. As a former Member, and Speaker of this Assembly, he has a thorough understanding of government and circumpolar issues. Mr. MacQuarrie has already developed a civics course for northern schools.

Reidmore Books brought to the project an impressive track record of designing attractive, interesting textbooks and multi-media titles. Mr. Speaker, I would like to note that Reidmore is paying the cost of designing, printing, and distributing the book. This government will be receiving a royalty for any books sold outside the Northwest Territories.

The Department of Education, Culture and Employment initiated the project and played a continuing role throughout. The Department undertook the project in response to some concerns of NWT teachers about the Social Studies curriculum.

Although the book was designed for NWT students, it has generated a lot of interest in southern Canada, and in other countries that make up the circumpolar world. I shared copies of the publication with provincial Ministers of Education last week and they were all very impressed.

Mr. Speaker, I am confident The Northern Circumpolar World will increase people's understanding of northern Canada, and our northern neighbours. Thank you, Mr. Speaker.

---Applause

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

Thank you Mr. Dent. Ministers' statement. Ms. Thompson.

Page 903

Minister's Statement on Opening of New Fire Hall - Fort Providence

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. On Monday, September 30, I had the privilege of attending the opening of the new fire hall in Fort Providence along with the Honourable Sam Gargan. Mr. Speaker, I would like to thank the community for their warm hospitality throughout my visit. I would also like to recognize the hard work of the teachers and parents. I say this because I was very impressed by the behaviour of the students who attended the ceremony. We did not even need microphones to speak because they were so well-

behaved. As an educator, I know that children learn to behave best when teachers and parents work together.

At the opening, Chief Jimmy Thom recognized all the members of the community who worked together to make the project work. Mr. Speaker, we can learn from this project because it is an excellent example of community empowerment. The fire hall was built by local contractors with local labour. The building was enhanced through local funding. The Hamlet and the Band cooperated throughout the planning and construction of the building.

I was also fortunate to attend the naming of the joint Hamlet and Band office. Mr. Speaker, as you know, the office was named after Chief Paul Lafoin. Chief Lafoin was the Chief in Providence when Treaty negotiations occurred in the 1920's. He had a vision that his people would work together to make a safe and better world for future generations and that they would take control of their future. Mr. Speaker that is community empowerment!

In closing Mr. Speaker, I was very impressed by your community. It can stand as a model for communities throughout Canada.

Thank you.

---Applause

**MR. SPEAKER:**

Thank you Ms. Thompson. Ministers' Statements, Mr. Ng.

Minister's Statement on Contaminants in the Northwest Territories

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, contaminants are an issue for use as a society. Not only whales and fish accumulate contaminants, people do as well.

The Department of Health and Social Services, in collaboration with regional health agencies, has actively participated in the federal government's Northern Contaminants Program for the Arctic Environmental Strategy since 1990.

A main focus of this activity has been to develop a baseline level of specific contaminants in the blood of mothers and their newborns, since babies may be

particularly sensitive to these environmental pollutants.

This work will be completed in March 1997 for the Mackenzie, Kitikmeot, Keewatin and Baffin regions and will result in advice on how people, particularly females through childbearing years, may have to reduce their consumption of some foods like beluga and narwhal blubber.

These environmental pollutants are industrial chemicals such as PCBs, and pesticides such as DDT and toxaphene, that move into the circumpolar north in wind and water currents from elsewhere in the world.

They are long-lasting chemicals that dissolve in fat and are found in higher concentrations in marine mammal blubber because marine mammals are at the top of the food chain in the Arctic Ocean.

Results from work completed to date in the Mackenzie and Kitikmeot regions confirms that people in the North, like elsewhere, are carrying these contaminants in their bodies.

In cord blood monitoring for the Kitikmeot, 40 percent of participants had blood levels of PCBs that exceed

Page 904

the acceptable level according to Health Canada. In the Mackenzie, that number was 2 per cent.

Mr. Speaker, I want to assure you that even at these levels, no one is in danger.

This cord blood monitoring project includes a sample that reflects the larger population. When acceptable limits are set, it is to protect everybody and has variable meaning on an individual basis.

This is the first monitoring project in the North to give results back to the participants. Work is now under way in the Baffin and Keewatin to get a better focus on the issue.

Mr. Speaker, resources must be focused on identifying health effects from these contaminants in the very near future.

Funding for the Arctic Environmental Strategy is running out in March 1997. The federal government has assured us that DIAND is currently seeking funding to continue the Northern Contaminants

Program. To date, a funding level has not been confirmed.

This will provide Northerners with appropriate information so that we can all make informed decisions about our diet.

There are many nutritional, economic and cultural benefits from a traditional diet that includes marine mammal blubber, and these are very important to remember.

The results of the cord blood monitoring study in the Kitikmeot and Mackenzie regions remind us that there is a lot more to be learned about this complex issue and that ongoing federal funding will be required.

Mr. Speaker, I would be happy to arrange a briefing for any Members who want more information on this vital issue.

Thank you.

**MR. SPEAKER:**

Thank you, Mr. Ng. Ministers' statements. Mr. Morin.

Minister's Statement on Minister Absent From the House

**HON. DON MORIN:**

Thank you Mr. Speaker. I wish to advise Members that the Honourable Stephen Kakfwi will be absent from the House today, Tuesday and Wednesday to:

- meet with the Honourable Ronald Irwin regarding BHP in Ottawa;
- attend the funeral of the former Premier of Quebec, Mr. Robert Bourassa, on behalf of the Government of the Northwest Territories; and,
- attend the Arctic Contaminants Conference in Iqaluit.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Ministers' statements. Item 3. Members' statements. Mr. Ningark.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement on Kitikmeot Boarding Home

**MR. NINGARK:**

Thank you, Mr. Speaker. Mr. Speaker, on October 1, 1996, I had the privilege of attending the Kitikmeot's Leaders' Forum in Cambridge Bay.

Many of the important issues, or at least to the Kitikmeot Region, were brought at that meeting, and one of the concerns of the Kitikmeot leadership and from the Kitikmeot Health Board was the capacity of Lena Peterson, better known as Kitikmeot Boarding Home, to hold patients from the Kitikmeot Region.

Mr. Speaker, I have the information here, given to us by the Kitikmeot Health Board representative, that in January the occupancy level was about 88 percent; February, 85; March, slightly lower than 80; in April, we have 80 percent; May we have 85 percent occupancy level; June, 85; July, about 90; and August, a little bit below 80 percent. The average here, Mr. Speaker, is about 85 percent occupancy level by the Kitikmeot people staying at the Kitikmeot Boarding Home.

Page 905

A number of patients, Mr. Speaker, from the Kitikmeot area have to be referred to the Rainbow Valley Boarding Home. On behalf of the people of Kitikmeot Region, I would like to thank the management of the Rainbow Valley Boarding Home. We also have a non-Kitikmeot patient occupancy level at around 20 percent overall.

Mr. Speaker, at the appropriate time I will be asking the government if it has any plan to expand the Kitikmeot Boarding Home.

**MR. SPEAKER:**

Thank you, Mr. Ningark. Members' statements. Mr. Picco.

Member's Statement on Baffin Regional Hospital

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the Baffin Regional Hospital was opened in 1962 to serve the Town of Iqaluit and the Baffin Region. In this 34 year period, the facility has remained essentially unchanged since its opening. In this same 34 year period, Mr. Speaker, the population has more than doubled in the region it has to serve. All public health functions had to be located in a separate building because there was no space in the hospital. All

material management functions are also located away from the facility in a converted, double-wide trailer. This is not acceptable. As part of the 1988 Health Transfer Agreement, a cost-sharing arrangement for the replacement of the existing facility with the federal government was signed. The replacement of the Baffin Regional Hospital will be cost-shared by the territorial government and the federal government. The catchment area of the Baffin Regional Hospital is 85 percent Inuk, plus the federal government will cost-share 85 percent of this total cost. The Inuvik Hospital was also included in the original Health Transfer Agreement with similar terms and references as the Baffin Regional Hospital, the major difference being the lower cost-shared amount because of the lower Aboriginal catchment population.

In the original agreement, an annual base of \$1,000,000 was contributed to the cost of replacing the hospitals. Based on the annual base and the PL escalator, the total contribution from the federal government to the territorial government would be \$9,297,000.

Mr. Speaker, over the past year, two meetings with myself and the chair of the Baffin Regional Health Board and the federal Health Minister, Mr. Dingwall, were cancelled by me because of information that these projects, the Baffin and Inuvik, were moving ahead. Recent information indicates this may not be the case. I will be questioning the territorial Minister of Health today on this matter. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you, Mr. Picco. Members' statements. Mr. Barnabas.

Member's Statement on Sealift Difficulties at Grise Fiord

**MR. BARNABAS:**

Thank you, Mr. Speaker. On Friday of last week I informed the house of the sealift emergency in Grise Fiord, Canada's most northern community. At that time, the Premier stated that the government would do everything possible to make sure our communities have adequate supplies for the long winter ahead. I welcome the Premier's statement and thank him for his support.

Mr. Speaker, I wish to advise the Premier that I have been in touch with both the municipality of Grise Fiord and Arctic Co-operatives in Winnipeg to get the latest

information on the situation. I will be raising some oral questions later today in order to clarify what will be done and which departments will be providing the urgently needed assistance. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Henry.

Member's Statement on Possible Amalgamation of Transportation, Public Works, and Housing

**MR. HENRY:**

Thank you, Mr. Speaker.

Page 906

Mr. Speaker, in the past few weeks we have been hearing from ministers and deputy ministers about the possible amalgamation of Public Works and Services, the Housing Corporation and Transportation. To date, ordinary Members have not received any details about what is planned. It is crucial that all Members of this Legislature have a chance to talk about this proposal before anything is actually set in place.

We need to consider this as a whole Legislature before we decide whether this is a good plan. We need to look at it carefully. Mr. Speaker, we need to see a plan, a blue print that lays out the amalgamation proposal. It needs to show us the implications to programs and services. It needs to show the impact on staff. More importantly, it needs to clearly show how the amalgamation will result in a more efficient department. As a caucus, we would recommend that a discussion paper on the amalgamation of Public Works and Services, the Housing Corporation and Transportation be tabled in the House during this session. This would allow all Members to comment on the plan and would give the public a clear picture on the wheres and whys of this amalgamation.

Mr. Speaker, later today I will be following up with the Premier on the involvement of all Members in discussing this amalgamation proposal. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Members' statements. Mr. Erasmus.

Member's Statement on BHP Impact Benefit Agreements

**MR. ERASMUS:**

Thank you, Mr. Speaker. My statement today is on the BHP Project and the Impact Benefit Agreements with the land owners, the Aboriginal people, in this area. As you all know, some time ago the federal government indicated that they would approve the development permits for BHP if there was substantial movement on Impact Benefit Agreements. Talking to the Aboriginal leadership, I understand that there is not very much being offered, Mr. Speaker. The BHP people stand to make in the order of \$300-500 million per year and perhaps a lot more. The governments, federal and territorial, stand to make \$100 million a year. The Aboriginal governments will be making peanuts or will receive basically peanuts in relation to this.

The people have been working hard to try to achieve some sort of an agreement, but what they are being offered, Mr. Speaker, they cannot sell to the people. This is more than one group that I have talked to. Mr. Speaker, I believe that the federal government cannot subjectively say there has been substantial movement just because the two sides are at the table.

I also believe it is the responsibility of this particular government to ensure that IBAs are fair and equitable. I believe if there is no agreement soon then this government should press the federal government to give a few more days, a couple of months or whatever is needed so they can work out some agreement without the Minister interceding and saying yes that is it. Thank you.

**MR. SPEAKER:**

Thank you, Mr. Erasmus. Members' statements. Are there further Members' statements? Mr. Ootes.

Member's Statement on Community Empowerment

**MR. OOTES:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to speak today on the subject of community empowerment, A government initiative I am afraid I cannot wholly support at this time. It seems to me this Assembly is in a rush to complete many, major policy initiatives before division in 1999. Some processes may benefit from this urgency. Constitutional development springs to mind. Others, however, will suffer if they are implemented prematurely and in a rush. I believe community empowerment falls into that category.

Mr. Speaker, I do not see how we can build local governments, second levels of government, in other words, when we are in the process of defining the

Page 907

shape and scope of our first level of government; that is, the territorial government. Nor do I see how we can negotiate funding transfers to communities when we do not know how much money we have to give. Our fiscal picture speaks for itself.

Furthermore, how can we develop jobs and infrastructure that we may not have after April 1, 1999. I fear that what we give in one year we may be forced to take back in the next. I feel we want to take the time to work on a good recipe for building partnerships between local and central governments. The principle of community empowerment, that is, local control has been the cornerstone of northern politics for decades, and I support that principle fully and completely. However, I believe our current approach to rush this initiative on community empowerment may create more problems than it will solve. We cannot, in good faith, devote hard to local authorities until we know what we have to give and how much money we have to support our initiatives. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you, Mr. Ootes. Members' statements. Item 4. Returns to oral questions. Mr. Ng.

**ITEM 4: RETURNS TO ORAL QUESTIONS**

Return To Question 390-13(3): Negotiations with the Tl'oondih Healing Society

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I have a return to an Oral Question asked by Mr. Krutko on October 2, with respect to status of funding from the Tl'oondih Healing Society. The director of Community Health Programs and the addictions consultant met with the Chairperson of the Gwich'in Healing Society August 15, 1996. The results from these discussions were that the department had agreed to fund the Tl'oondih Healing Society, at a level of \$300,000 for the 96/97 fiscal year. Departmental representatives also advised the chairperson that clients who met specific criteria could be funded under the Extended Health Care Benefits Program. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. 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, in the gallery is a constituent from Kugluktuk, Donna Satenia, who is a high school teacher. She is also the regional president of the NWT Teachers' Association and a member of their negotiating team. Thank you, Mr. Speaker.

-- applause

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the gallery. Mr. Arlooktoo.

Page 908

**HON. GOO ARLOOKTOO:**

Thank you, Mr. Speaker. I would like to recognize Mr. Charlie Manning. Mr. Manning is a two term mayor of Cape Dorset who negotiated one of the better known community transfer deals, and now runs my constituency office in Cape Dorset.

--Applause

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the gallery. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Aaron Blair who is also a member of the NWTTA Executive and a member of their bargaining team, and is a resident of Iqaluit.

-- Applause

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the gallery. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Speaker. I would like to recognize Pat Thomas, President of the Teachers' Union, and a former teacher of mine.

-- Applause

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the gallery. Item 6. Oral questions. Mr. Picco.

ITEM 6: ORAL QUESTIONS

Question 404-13(3): Status of Baffin Regional Hospital

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, as I said in my Member's statement, my first question is for the Minister of Health. What is the status of the hospitals for the Inuvik and the Baffin regions? Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Return To Question 404-13(3): Status of Baffin Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, the status is that negotiations between the Government of the Northwest Territories and the federal government continue to finalize a financial arrangement in respect to financing both hospitals in Inuvik and Iqaluit. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary. Mr. Picco.

Supplementary To Question 404-13(3): Status of Baffin Regional Hospital

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the Baffin Hospital has the highest occupancy rate in the Northwest Territories and has not been improved since 1962. Does the Minister have any indication when these negotiations, which have been going on since 1987/88, will be finally concluded? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 404-13(3): Status of Baffin Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, the negotiations for the financing of these two hospital projects have not been going on since 1987/88. It has been as of the last year that they have been going on. I am expecting that we can wrap up, hopefully, an interim agreement within the next few months and proceed from there Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary. Mr. Picco.

Supplementary To Question 404-13(3): Status of Baffin Regional Hospital

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I stand corrected. Can the Minister inform this House how much money has been transferred to the territorial government since 1987/88, and the original MOU by the federal government since the original transfer agreement was signed for the Baffin and Inuvik hospitals, including the PL escalator?

**MR. SPEAKER:**

Thank you. Mr. Ng.

Further Return To Question 404-13(3): Status of Baffin Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, there has been approximately \$8 million transferred, and it works out to approximately \$11 million with the PL escalator to date, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary. Mr. Picco.

Supplementary To Question 404-13(3): Status of Baffin Regional Hospital

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, is this \$8 million that was transferred from the federal government to the Territorial government available and ready to be used for the construction of said hospitals? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 404-13(3): Status of Baffin Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, no. As I have indicated to this House before, the money has gone into the General Consolidated Revenue Fund of the Government of the Northwest Territories and remains in there. Thank you.

Page 909

**MR. SPEAKER:**

Oral questions. Mr. Ningark.

Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**MR. NINGARK:**

Thank you, Mr. Speaker. Mr. Speaker, as I indicated earlier in my Member's statement regarding the capacity of the Kitikmeot Boarding Home to fulfil the demand from the region, I also indicated the occupancy is about 85% throughout the year. Over and above that, some patients are referred to the Kitikmeot Rainbow Valley Boarding Home. Over and above that also, we get non-Kitikmeot patients staying at the Kitikmeot Boarding Home. Mr. Chairman, I think that in itself justified the demand from the Kitikmeot leadership. My question is to the Honourable Minister of Health and Social Services. Does the Minister have any plan in the near future to expand the capacity of the Kitikmeot Boarding Home? Thank you.

**MR. SPEAKER:**

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

Return To Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**HON. KELVIN NG:**



Thank you, Mr. Speaker. Mr. Speaker, we have not had any requests from the Kitikmeot Health Board at this stage to look at expanding the facilities, so I can say no, at this time, I am unaware of any plans to facilitate any expansion, Mr. Speaker. Thank you.

Supplementary To Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**MR. SPEAKER:**

Supplementary, Mr. Ningark.

**MR. NINGARK:**

Thank you Mr. Speaker. Given the statistics that I provided to the Minister, will the Honourable Minister seriously look at the possibility of expanding the Kitikmeot Boarding Home? Thank you.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I recognize it is a heavily utilized facility; however, I would have to wait and see exactly what kind of statistics are confirmed and whether or not the people of Kitikmeot, through their health board, request any expansion. But, at the same time, Mr. Speaker, I would like to advise the Honourable Member that we are in limited financial means and it would have to be fully justified as a long- term cost effective way of dealing with our health issues before we finalize any plans to expand these facilities. Mr. Speaker, thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ningark.

Supplementary To Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**MR. NINGARK:**

Thank you, Mr. Speaker. Supplementary to the same Honourable Minister. The statistic I provided to the Honourable Minister is we have about 85 per cent average usage of the government boarding home. We have about 20 per cent non-Kitikmeot patients staying at the Kitikmeot Boarding Home. Over and above

that, some patients from Kitikmeot are referred to the Rainbow Valley Boarding Home. I thank the Rainbow Valley Boarding Home for providing the services. Mr. Speaker, will the Honourable Minister now communicate with the Kitikmeot Health Board? Thank you.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 405-13(3): Plans To Expand The Kitikmeot Boarding Home

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I have no hesitancy in contacting the Kitikmeot Health Board to try to discuss with them the options and see if there are any problems and try to work out a solution that would be acceptable to everybody.

Page 910

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Barnabas.

Question 406-13(3): Timeframes For New Regional Hospital

**MR. BARNABAS:**

Thank you, Mr. Speaker. I would like to ask the Minister of Health a question. I would like to know if the Baffin Regional Hospital will be finished on the date it was supposed to be?

**MR. SPEAKER:**

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

Return To Question 406-13(3): Timeframes For New Regional Hospital.

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I cannot give a date on when I would expect the health facility in Iqaluit, or in Inuvik for that matter, to be completed. I mean, it will depend largely upon finalizing the financing agreement with the federal government and secondly, and more importantly, finding the financial means within our government to proceed with these major capital projects, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Barnabas.

Supplementary To Question 406-13(3): Timeframes For New Regional Hospital

**MR. BARNABAS:**

I would like to ask another question to the Minister of Health. Can the Minister table an agreement that was signed to build the hospital in Inuvik and Baffin Regional Hospital?

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 406-13(3): Timeframes For New Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I would say that I will check to see if we could do that and if that were the case, I would. Otherwise I would be willing to let the Honourable Member see what agreement is in place, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Barnabas.

Supplementary To Question 406-13(3): Timeframes For New Regional Hospital

**MR. BARNABAS:**

Thank you, Mr. Speaker. Mr. Picco had stated earlier that \$8 million had been set aside for the hospital in the Inuvik and Baffin Region. I would like to have this reviewed. Can you state exactly where this money will be used, particularly to the construction of those hospitals. Thank you.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 406-13(3): Timeframes For New Regional Hospital

**HON. KELVIN NG:**

Thank you, Mr. Speaker. As I indicated before, there have been pre-payments from the federal government that have been paid to the Government of the Northwest Territories. The funds have been put into the General Consolidated Revenue Fund of this

government and consumed in addressing the program needs of this government. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Krutko.

Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question is to the Right Honourable Minister of Health and Social Services, Mr. Kelvin Ng. As you quoted in your statement earlier, there were negotiations with the Gwich'in where there was \$300,000 given. But the motion which was passed in the House in Committee of the Whole clearly states that the Tl'oondih Healing Society negotiate in an effort to provide core funding to the Society on the same level as provided to other institutions. That is what the motion says. The \$300,000 that you mentioned is for non-insured health benefits so the program is delivered for status and Inuit people. The \$300,000, compared to other institutions such as Delta House which received \$634,000 and out of that \$500,000 is wages, does not seem too fair when it comes to \$300,000 to

Page 911

implement programs on behalf of status and Inuit people. Another comparison is Northern Addictions and Services which receives over \$1 million, salaries alone were \$761,000. On top of that, the operation costs, they received funds to deliver programs on the number of people that they have in their institutions. The problem that we have with the Tl'oondih Healing program is that without core funding we cannot compete on the same basis as these other institutions which are privately funded with help of over \$1 million a piece. For \$300,000 to deliver a program in our facility works out to about \$75 a bed night which is costing the Tl'oondih Healing Society almost \$280 a night. So we are losing over \$120 per bed. If we had core funding we would be able to compete and maintain that. So my question to the Minister is, will the Minister reconsider looking at the issue, considering years-as any other healing program, alcohol program in the Northwest Territories which has funding fully allocated for the whole year which consists of core funding to be treated on the basis as everyone else? I am talking core funding, Mr. Minister.

**MR. SPEAKER:**

Thank you. Again just to remind the Members, when you are addressing the Ministers you can use the term the Honourable Minister but not the Right Honourable, which is only a title referred to when you address the Prime Minister, or former Prime Ministers for that matter. Mr. Ng, Minister of Health and Social Services.

Return To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Once again I would like to congratulate the Tl'oondih and the Gwich'in for establishing the Tl'oondih treatment facility. I have stated in the past in this House that, unfortunately, it is not one of the healing centres or alcohol and drug treatment centres that has been financed by this government—rightly or wrongly. Our focus has been to try to support the institutions that we have financed at 100 per cent. Having said that Mr. Speaker, I think we have gone out of our way to try and assist the Tl'oondih camp in trying to support them in their initiatives which we feel are very beneficial. But one of the problems we have, Mr. Speaker, is the fact that we are trying to move away from core funding of all facilities. We are trying to move towards a per diem to make them more effective and make them more competitive in trying to establish a program so that individuals can feel that they are getting value for dollar. Providing core funding to Tl'oondih at this time would be contrary to our initiatives in trying to move away from core funding towards a per diem type financing Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question to the Minister is, if you are trying to get away from the whole idea of core funding and you want to basically use a per diem basis, why are you not treating Tl'oondih Healing Society on the same basis, to receive a little bit of core funding, and receive a little bit of dollars to deliver on a per capita breakdown for each night? The problem that we have with the system is that you are giving one group core funding and you are also giving

them funding for a bed, yet you are giving the Tl'oondih Healing Society \$300,000 to administer a program without core funding. So would you consider looking at bringing all treatment facilities under the same playing field, under the same rules?

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, as I indicated

Page 912

just previously, Tl'oondih is not a facility that was established by this government, so the fact of us core funding them to compete with our own facilities would be detrimental. And I think because of the fact we are moving away from core funding, that at this time it would not be warranted to try to work on an arrangement in that area, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Mr. Krutko, supplementary.

Supplementary To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**MR. KRUTKO:**

Thank you, Mr. Speaker, supplementary being for the Minister. Maybe he can tell the 30-odd people that must be laid off, the shut down of this facility would probably be another statistic in the Mackenzie Delta, which is the lowest in regards to unemployed people in the whole western territory. What do you intend to tell those people, in regards to their jobs? You are paying a facility, another institution, in the range of \$761,000, yet there is a possibility of 30 people here being unemployed.

**MR. SPEAKER:**

What was your question then, Mr. Krutko.

Supplementary To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**MR. KRUTKO:**

What is the Minister going to do in regards to the possibility of 30 people which will be unemployed if this facility is shut down, compared to the other facilities who receive core funding, wages of \$761,000 which would that cost be on to this government?

**MR. SPEAKER:**

Thank you. Just for clarification, the question is difficult to respond to because the Minister does not know what would happen to 30 people that are being laid off.

It is hypothetical, but I would like to ask the Minister if he would like to respond since a portion of the funding is coming from his department.

Further Return To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker I would say it would be a regrettable situation and I would sympathize with the employees. Unfortunately I do not know what the cost would be to this government at this time or layoff of 30 people from the Tl'oondih operations, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Krutko

Supplementary To Question 407-13(3): Core Funding for the Tl'oondih Healing Society

**MR. KRUTKO:**

Thank you Mr. Speaker. Will the Minister reconsider looking at this issue in regards to the possibility of creating jobs and also keeping jobs in the area of the Mackenzie Delta, which is twice the average of the rest of Canada. Will the Minister consider re-looking at this issue in regards to the possibility of that?

**MR. SPEAKER:**

Mr. Ng.

Further Return To 407-13(3): Core Funding for the Tl'oondih Healing Society

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I am not prepared to look at the specific issue of the Tl'oondih funding at this time. However, I would qualify that by

saying that we are, in our business plan, coming forward to the House, at a later date, looking at the whole area of alcohol and drug treatment programs throughout the Northwest Territories and how they are funded. I think there will be some drastic changes in the way that these facilities are funded in the future, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. O'Brien.

Question 408-13(3): Privatization of Petroleum Products Division

Page 913

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister responsible for POL. I would like to know the present status regarding privatizing POL. Thank you.

**MR. SPEAKER:**

Thank you. The Minister responsible for Public Works and Services, Mr. Arlooktoo.

Return To Question 408-13(3): Privatization of Petroleum Products Division

**HON. GOO ARLOOKTOO:**

Mr. Speaker, as the House will recall, the Cabinet requested Public Works and Services to start the process of privatization of our petroleum products division. The Department, along with the Department of Resources, Wildlife and Economic Development issued an Expressions of Interest advertisement this summer.

The responses to those advertisements are being analyzed right now, along with a number of studies, and we are awaiting the results.

**MR. SPEAKER:**

Thank you. Oral questions. Supplementary, Mr. O'Brien.

Supplementary To Question 408-13(3): Privatization of Petroleum Products Division

**MR. O'BRIEN:**

Thank you, Mr. Speaker. I am not sure if it is appropriate to ask this question now or not. The Minister can advise me.

There have been a number of comments and concerns regarding price control. How do you expect or plan to deal with this as far as the price will raise to the point where it will be unacceptable for the average resident? Thank you.

**MR. SPEAKER:**

Mr. Arlooktoo.

Further Return To Question 408-13(3): Privatization of Petroleum Products Division

**HON. GOO ARLOOKTOO:**

Mr. Speaker, the issue of price regulation was one identified by the Cabinet as a concern immediately, and we had a study started. That review has been done and is being analyzed right now.

The options for price regulation, whether it is a public utilities-type operation or others, will be given to Cabinet, I believe before Christmas, and Cabinet will make a decision then.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Roland.

Question 409-13(3): Hospital Replacement in Inuvik

**MR. ROLAND:**

Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services.

Following on a few questions he had earlier to do with the replacement of the hospital in Inuvik and also, according to my information, the renovation of the Baffin hospital, have there been any further agreements other than the one signed 1988 with the federal government on the hospital?

**MR. SPEAKER:**

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

Return To Question 409-13(3): Hospital Replacement in Inuvik

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, subsequent to the transfer of Health to the Government of the Northwest Territories from the federal government, there was an amendment made, to my understanding, to the transfer agreement that allowed for a new replacement facility for Iqaluit, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Roland.

Supplementary To Question 409-13(3): Hospital Replacement in Inuvik

**MR. ROLAND:**

Thank you, Mr. Speaker. Will the Minister make available to the MLAs affected, a copy of that agreement? Thank you.

**MR. SPEAKER:**

Mr. Ng.

Page 914

Further Return To Question 409-13(3): Hospital Replacement in Inuvik

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, as I had indicated to a previous question, I would certainly be able to let the honourable Members that were interested in looking at this agreement have that opportunity, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Miltenberger.

Question 410-13(3): Fairness and Equity in Budget Reductions

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. My question is to the Minister of Finance.

I would like to ask the Minister a question in regards to the issue of fairness and equity which has been echoed around the Assembly here in this Chamber. With the upcoming business planning process, how does the Minister of Finance anticipate that fairness and equity will be brought about and co-ordinated so that at the end of the day we do not have to be revisiting this issue and gnashing our teeth and

various other things to let our constituents know that things did not work out the way we had anticipated? Thank you.

**MR. SPEAKER:**

The Minister of Finance, Mr. Todd.

Return To Question 410-13(3): Fairness and Equity in Budget Reductions

**HON. JOHN TODD:**

Thank you, Mr. Speaker. It is always difficult when we talk about fairness and equity in a time when we are working through restraint and in fact we are cutting rather than adding.

**MR. SPEAKER:**

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

Supplementary To Question 410-13(3): Fairness and Equity in Budget Reductions

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. A supplementary to the Minister of Finance, who, if he decides not to run for re-election, will do a fine job as a salesman I am sure.

Could the Minister elaborate a bit on what "every effort" means and maybe that will help substantiate a bit the optimism that you feel about being able to do these good things? I am a little unclear. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 410-13(3): Fairness and Equity in Budget Reductions

**HON. JOHN TODD:**

Well, let me say that it would be fair to say that we have done an analysis of where the cuts have taken in the first round, in this last year. Remember we took over \$100,000,000 out of the system this last year and we are going to take about another \$100,000,000 plus this coming year. I think it is important to say that to the public so they can all hear it. We are trying to do it in a fair and reasonable way, and it is a very difficult task, particularly with this Assembly since 1968, it has never had to do this kind of exercise. We have never had to take or reduce the kinds of

expectations that the public has the way in which we are doing it now. I think that is the first thing in terms of general comment.

Page 915

The second thing is it has been fairly clear based upon the discussions we have had with standing committees, and as I say the recent debates, that we must carefully examine where we next look towards these cuts. If you remember that we did negotiate between the ordinary Members and ourselves, a two year approach to it so they get both education, health, etc., two years to make the right moves and to manage if you want, a way out of this difficult situation. And I think that is what we are endeavouring to do, and we are very much aware of where the cuts came last round. It is clear. I have it on my desk. And we intend to ensure that there will be a continuation of expanding the cuts to everybody across the framework to ensure that there is not one particular group, or one particular community that is penalized more than another. With respect to the further deficit reduction strategy that we are moving on in these final 12 months of excruciating pain. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 410-13(3): Fairness and Equity in Budget Reductions

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. My supplementary to the Minister is once again, even though he may not have it at his fingertips, do you have a bit more detail? I am well aware of the intent and the process that we envision as we move down this road of excruciating pain, as the Minister of Finance indicates. My question is, based on the fact that it took us about a month, some of us ordinary Members, just to get an idea of the cuts and where they had been for the first round of a process that we can be coordinated so that as we move down the business plan or process in October, we can monitor this and then make adjustments as we go as opposed to finding out at the end of the day that, gosh darn, there are a few gaps still here, which would be totally unacceptable to those of us who have already made major contributions to the war effort. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 410-13(3): Fairness and Equity in Budget Reductions

**HON. JOHN TODD:**

Golly gee. I know, Mr. Speaker, I want to ensure my Honourable Colleague that I think that when we provide them with the business plans late next week, that it will be in sufficient detail. Because I think that is what we are talking here. They will provide him with the comfort that is necessary to show that the continuing deficit elimination strategy is a fair and equitable one. I think that is what my Honourable colleague is talking about. The extent of the detail, I have reviewed most of it and we will be providing it to the committees later on next week, I believe. I am fairly confident that it will be there. It also does provide, as my Honourable colleague knows, the committees with an opportunity to give us advice and recommendations as to where we should make some adjustments, and we are perfectly willing and able to do that provided they all make sense, and are, as my colleague says, fair and reasonable across the board. Thank you.

**MR. SPEAKER:**

Oral questions, Mr. Henry.

Question 411-13(3): Proposed Amalgamation Discussion Paper

**MR. HENRY:**

Thank you, Mr. Speaker. My question is to the Premier regarding the amalgamation, or proposed amalgamation, of Transportation, Public Works and Services, and the Housing Corporation.

As the Premier knows, there is strong interest among ordinary Members to review the plan for this amalgamation, prior to any activity actually taking place to make it happen. Will the Premier be tabling a discussion paper on this proposed amalgamation in the House during this current session? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Premier.

Return To Question 411-13(3): Proposed Amalgamation Discussion Paper

Page 916

**HON. DON MORIN:**

Thank you, Mr. Speaker. There is also extreme interest for Cabinet to review such a plan but it has not come to cabinet as of yet, so we have not had that opportunity to review our plan and the amalgamation of Transportation, Housing Corporation and DPW. Once Cabinet has had the opportunity to review our work plan, then we will have no problem tabling it in the House or working it out with Members and whatever committee it goes to as well. It will be an open and public debate, I am hoping, but I would doubt - I think this session here is going to be over next week sometime, or whatever, or the week after, I do not know if it will be done by that time to get here, so as soon as it is we will make it available for Members once Cabinet approves it. Thank you.

**MR. SPEAKER:**

Oral questions, Supplementary, Mr. Henry.

Supplementary To Question 411-13(3): Proposed Amalgamation Discussion Paper

**MR. HENRY:**

Thank you, Mr. Speaker. I appreciate the Premier's response and I am quite sure that the ordinary Members will appreciate looking at that. Can the Premier give his assurance then that the document will be tabled prior to any implementation of the program? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Morin.

Further Return To 411-13(3): Proposed Amalgamation Discussion Paper

**HON. DON MORIN:**

Thank you, Mr. Speaker. I would not want to make unilateral decisions without consulting with ordinary Members of this Assembly, and we have already agreed on a process of papers or change in government direction or what we are doing, to come through Cabinet, then go through the appropriate committees and then come to the House, so I would not want to change that process without consulting with all of the Members in this Assembly. So once we have done that, we will move one with it. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Rabesca.

Question 412-13(3): Internet Access in Small Communities

**MR. RABESCA:**

Thank you, Mr. Chairman. Mr. Speaker, prior to our last session, the Minister responsible for Education, Culture and Employment announced that the GMD would be calling for request for proposal regarding internet access for the communities in the Territories. Some of you may be aware that NorthwTel has taken the subsidy off the internet calls being placed outside of major centres. This means that if a person in a smaller community wants to go on the internet, they must pay the full long distance rate. This can get very expensive when you consider that the internet is one of the cheapest forms of communication in all parts of North America. My question to the Minister is, could he inform the House as to the state of this proposal?

**MR. SPEAKER:**

The Minister of Education, Culture and Employment, Mr. Dent.

Return To Question 412-13(3): Internet Access in Small Communities

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, the Financial Management Board Secretariat is actually taking the lead in assessing the bids that have come in on the request for proposal that went out earlier this year. That has closed and I understand that an assessment of the proposals is under way and I am sure we will hear some announcement in the not too distant future from the Minister responsible for the FMB as to a recommendation. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Supplementary To Question 412-13(3): Internet Access in Small Communities

Page 917

**MR. RABESCA:**

Yes, Mr. Speaker. Has the department received any proposal? If so, when could he start seeing this internet across the Northwest Territories?

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 412-13(3): Internet Access in Small Communities

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, as I understand it, there were three responses to the RFP. As I said, I do not know yet whether there are any results to the assessment on the RFP, and would expect that we should have some announcement on that fairly soon. We had hoped that we would be able to see a start within the course of the next 12 months or so, should one of the proposals be acceptable. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Ootes.

Question 413-13(3): Tree of Peace Education Funding

**MR. OOTES:**

Thank you, Mr. Speaker. My question is for the Minister of Education, Culture and Employment, and it is on the subject of the Tree of Peace Education Funding. Last week I made a statement in the House in regard to this good organization and the fine work that it is doing in our community and throughout the North. I attended the Annual Assembly of the Tree of Peace Friendship Centre and issues were raised during that meeting that I would like to bring to the attention of the Minister. The delegates to the Assembly adopted a resolution asking the Minister to investigate what they perceive as funding practices that discriminate against the centre's adult education programme. Basically, they are asking why some adult education students get funding in other programs, while people in their program do not. I made a few phone calls and discovered this issue is not as cut and dried as it appears, and I guess I would like to ask the Minister to explain the policy in funding adult education students. Thank you, Mr. Speaker.

**MR. SPEAKER:**



The Minister of Culture, Employment and Education,  
Mr. Dent.

Return To Question 413-13(3): Tree of Peace  
Education Funding

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, adult basic education has never been supported by the Student Financial Assistance Program, so in the past there has never been any financial support provided to the students by this government who have been taking programs in adult basic education. In the past, Human Resources Development Canada had provided training allowances for adult learners. As I understand the changes in their program though, these training allowances are no longer being offered. I suspect that what the Member is perhaps hearing about is the \$10.00 per day incentive which has been allowed to participants of the program investing in people, or the northern skills development program. This was a \$10.00 per day incentive which was provided to social assistance recipients who were taking these programs which were set up on a "cost-shared" basis originally two years ago between this government and the federal government. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 413-13(3): Tree of  
Peace Education Funding

**MR. OOTES:**

I appreciate the explanation from the Minister and I may get back to that particular question. I have some others that I would like to deal with, with regard to the Tree of Peace funding. I am told that since 1971 the Territorial Government provided money to the Tree of Peace for rent, to rent classroom space for its adult education program. This funding has now been stopped, and I wonder if the Minister can tell me why the funding was cut off?

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 413-13(3): Tree of Peace  
Education Funding

Page 918

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, first off, I would like to concur with the Member in his assessment of the programs offered by the Tree of Peace. I think the Department has been very supportive of the Tree of Peace because we see the programs as being effective, and I would point out that in spite of the fact that over the course of the last two years support by this government for adult basic education has been reduced by 25 per cent as a result of the fiscal climate that we are in. It was not until this fiscal year that the Tree of Peace saw any reduction to their funding. The core funding has only been reduced by 5 per cent and the Member is right, they have now also been forced to look for rental space. The rental space has become a problem because this government adopted a position that we could no longer undertake charity leases and any lease that was undertaken as a charity had to be underwritten with the dollars being transferred from one department to Public Works and Services who were the lease holders. So it would have meant a substantial increase in the budget in order to maintain the sort of contribution that had been given to the Tree of Peace. We would like to emphasize that the cuts to that organization are certainly not as large as what has been felt across the Territories, in a reduction to what is available for adult basic education. As I said, over the past two years we have had to reduce our budget by 25 per cent in the adult basic education field. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 413-13(3): Tree of  
Peace Education Funding

**MR. OOTES:**

Yes, again I want to thank the Minister for that explanation. My area of concern is that our cuts were initially aimed at administration and management programs. This seems to be a very important front line program. I wonder, because of that, if the Minister could have another look at this particular program to see if he could re-assess, certainly the rent area, seems to me, to be an extremely important area so that the Tree of Peace can have money for holding classroom sessions. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 413-13(3): Tree of Peace Education Funding

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, the magnitude of the cuts that we have had to take in Education, Culture and Employment have meant that we have gone way past administration for cuts. We are talking about cuts across the board for programs. We are talking about things like increasing the teacher/pupil ratio so that students in school are going to have to work in classrooms that have gotten much larger. The Member will have heard me in this House being questioned by other Members who have asked why there is no adult basic education being offered in their communities. We at this point in time only offer core-funded programs in 35 of all of our communities in the Northwest Territories and cannot afford to expand them at a time when the funding is being reduced by 25 per cent.

Earlier this year, in recognition of the special problem that the Tree of Peace found, because they were told that they were not going to get the charity lease at the last minute, and did not have a chance to go out and look for space, we were able to assist the Tree of Peace to the tune of some \$6,000 to help them get through the last half of the school year in space, but, at that time, I warned the Executive Director of the Tree of Peace that there would not be an opportunity to continue that kind of funding. We have tried to provide as much advance notice to groups like the Tree of Peace that the funding would be reduced in order to give them the best opportunity to search out alternatives, so I guess the answer to the Member's question is, I am afraid I do not have any extra money.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Ootes.

Page 919

Supplementary To Question 413-13(3): Tree of Peace Education Funding

**MR. OOTES:**

Thank you, Mr. Speaker. I sympathize with the Minister we do not have the money, and I understand that. Yet I am torn about many issues, and one of course is that we do have a terrible graduation rate out of schools in the Northwest Territories, and I think we have to keep that in mind. We therefore, because

of this terrible graduation rate, need also concentrate on the adult education. I wonder if the Minister could work on that program to see what can be done to concentrate on the adult education programs. He himself has stated we do not have it in all communities in the Territories. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 413-13(3): Tree of Peace Education Funding

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, I recognize the importance of adult education. I think that the Department and this House demonstrated a commitment to that in approving the budget for this year. The federal government had withdrawn from their cost-shared program with this investing in people program which saw \$8 million being invested in adult basic education over the course of two years, cost-shared between the Federal Government and this government, in spite of there being no federal contribution at all, this government still managed to continue to fund an investing in people program, or a program like that, this year to the tune of \$2 million, so we have gone out of our way to try and find funding if we can. But, I am afraid that, at this point, I was given a certain target with which to work in the department, and to meet that target, we have had to make some tough decisions, and I think that it is not just in this area. We have made tough decisions in the schools' contributions, we have made tough decisions in Culture, we have made tough decisions all across the board. The bottom line is that unless this Legislature votes to give my department more money, I can not do what the Member asks. Thank you.

Question 414-13(3): Consideration of Proposed Amalgamation

**MR. ERASMUS:**

Thank you, Mr. Speaker. My question is for the Premier. Further to the questions of the Member from Yellowknife South concerning the amalgamation of the Housing Corporation, Department of Transportation, and Public Works and Services.

We all know that these Departments are under three different committees so it would have to go through these committees to consider this. I know the Premier

does not want to be accused of using an old federal government tactic of dividing and conquering.

So my question is under the auspices of which forum he proposes to bring it all together so we can all consider the pros and cons at the same time? Thank you.

**MR. SPEAKER:**

Mr. Premier.

Return To Question 414-13(3): Consideration of Proposed Amalgamation

**HON. DON MORIN:**

Thank you, Mr. Speaker. In the interests of good government and speedy decision- making I believe that would go to Government Ops. That is where the Chair, I believe, of all the committees sits is on Government Ops, so that would make the most common sense to take it there after it came from Cabinet. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 414-13(3): Consideration of Proposed Amalgamation

**MR. ERASMUS:**

Thank you, Mr. Speaker. Is there some timeframe that we can look at when these plans will be looked at by the committees?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 414-13(3): Consideration of Proposed Amalgamation

Page 920

**HON. DON MORIN:**

Thank you, Mr. Speaker. It would possibly make it to Cabinet by the end of the month or the beginning of November, and then from there go into committee in November sometime. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 414-13(3): Consideration of Proposed Amalgamation

**MR. ERASMUS:**

Thank you, Mr. Speaker. Pending the review by these committees, if it is referred to the Committee of the Whole, it is possible then that we could discuss this in Committee of the Whole at the end of the month. Is that correct?

**MR. SPEAKER:**

Mr. Morin.

Further Return To 414-13(3): Consideration of Proposed Amalgamation

**HON. DON MORIN:**

Thank you, Mr. Speaker. I would enjoy doing that debate in Committee of the Whole and go public. Whether or not the Legislative Assembly would be sitting by that time, I do not know that. Once we go through Cabinet to committee structure, then it should be debated in public. But I do not think a person would want to call the Legislative Assembly back together to debate amalgamation of one department and pay approximately \$18-20,000 or whatever it costs today to run this operation. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Barnabas.

Question 415-13(3): Assistance for Grise Fiord Residents

**MR. BARNABAS:**

Thank you, Mr. Speaker. Earlier today I informed this House that I would be asking for more detailed information about government plans to assist the residents of Grise Fiord, where the annual sea lift for food supplies has been blocked by a massive stretch of polar ice pack.

Mr. Speaker, my question is for the Premier. Can he provide detailed information of the type of assistance that will be made available to Grise Fiord to help them survive this emergency?

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Premier.

Return To Question 415-13(3): Assistance for Grise Fiord Residents

**HON. DON MORIN:**

Thank you, Mr. Speaker. At this time, no, I cannot provide detailed information to the Member, but let me assure the Member that it is a very important priority of this government. If there is a sea lift that did not make it to one of our communities, we have the responsibility to make sure that our communities have enough supplies to make it through the winter and we will follow up on that responsibility. As soon as I get the information, I will make it available to the Members that it affects in that area. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 415-13(3): Assistance for Grise Fiord Residents

**MR. BARNABAS:**

Thank you, Mr. Speaker. Regarding cargo off-loaded in Pond Inlet belonging to the Hamlet and Housing Association, can it be flown to Grise Fiord as soon as possible? Thank you.

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 415-13(3): Assistance for Grise Fiord Residents

**HON. DON MORIN:**

Thank you, Mr. Speaker. We would look at all those issues in conjunction with whatever other supplies have to get into Grise Fiord and then decisions would be made. I could not stand here today and commit to the Member that we would send Hercs. There are Twin Otters and I believe it would be the Twin Otter to Grise Fiord at this time because I am sure we have competent staff out there looking at this issue, working with the communities as they always do and working out how to solve this issue as quickly as possible. Thank you.

Page 921

**MR. SPEAKER:**

Oral questions. Mr. Ningark.

Question 416-13(3): Visitor Centre Renovation - Gjoa Haven

**MR. NINGARK:**

Thank you, Mr. Speaker. My question is directed to my friend, Minister of Finance, Mr. Todd.

Mr. Speaker in a government capital plan, a pro plan, is money slated for Gjoa Haven to study the tourism area in the amount of \$45,000?.

I had the opportunity this morning, Mr. Speaker, to talk to the Community Development Officer who is working for the Hamlet Council of Gjoa Haven. He has indicated to me, over the phone, that the community wants to renovate an existing building and turn it into a visitor's centre. They want to use the 45 grand for renovation instead of planning.

Mr. Speaker given the community empowerment concept, given that every cent of the shrinking dollar must be used for meaningful and tangible projects, I wonder if the Honourable Minister would give permission to the community of Gjoa Haven to use that \$45,000, slated for the planning, to use it for the renovation of the existing building? Thank you.

**MR. SPEAKER:**

The Minister of Finance, Mr. Todd.

Return To Question 416-13(3): Visitor Centre Renovation - Gjoa Haven

**HON. JOHN TODD:**

It sounds like a new capital project, Mr. Speaker. Anyway, I will have to check with the Honourable Members on that issue.

By the way Mr. Speaker, I cannot speak on that issue. That issue should probably be directed to Mr. Kakwi who is not here today, but I would suggest to you that if the community requested through our community empowerment initiative, which the Cabinet is highly supportive of, that this is where the constituency wants to put the money, it would create some seasonal opportunities for the people of Gjoa Haven. I think at this time it would be fair to say that it would be supported. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 416-13(3): Visitor Centre Renovation - Gjoa Haven

**MR. NINGARK:**

Thank you, Mr. Speaker. Supplementary to the same Minister. The \$45,000 was slated for tourism funding and it is not new capital money. We are talking about renovating a building within that area of tourism, so I take it the answer from the Honourable Minister is yes. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 416-13(3): Visitor Centre Renovation - Gjoa Haven

**HON. JOHN TODD:**

Well, from a financial administration point of view, we would not see a problem, but like I said it would have to come from the constituency. I would suggest to you that, through the community empowerment strategy, which this government supports, if a request went to Mr. Kakfwi and to Ms. Thompson, I am sure they will be. I cannot speak for them, but I am sure, from a policy perspective, we support that kind of initiative. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Picco.

Question 417-13(3): Baffin and Inuvik Regional Hospital Funding

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I am very concerned. I guess with some trepidation now I ask the next question to the Minister of Health. After we found out that the \$8 million has been consumed, that has been sent by the federal government under the MOU and the Health Transfer Agreement of 1988 for the Baffin hospital and the Inuvik hospital.

So my question is to the Minister of Health. How will the GNWT replace the

\$8 million that has gone into our Consolidated Revenue Fund, and as the Minister said, has been consumed? Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Return To Question 417-13(3): Baffin and Inuvik Hospital Funding

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, when it comes time to proceed with the projects, the Government of the Northwest Territories shares what has to be there and it would have to be allocated and voted on in this House. The appropriations would allow those projects to proceed, Mr. Speaker. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 417-13(3): Baffin and Inuvik Hospital Funding

**MR. PICCO:**

Mr. Speaker I have a copy of the original MOU Agreement as the Minister knows and have spent some time writing letters over the last few months to the Minister concerning this project. The construction is supposed to be 1998/99 and this round of the business plans which is 1996/97 there should be an allocation of money in there. As this House voted for \$2.4 million, I believe this past May. Can the Minister confirm for me that in actuality this government has in place a strategy to come with \$8 million when we all know that we are cutting \$100 million and Mr. Todd just said earlier today, how we are going to come up with this money that has been spent by the Territorial Government? Maybe the Minister could tell where is this \$8 million he is going to come up with.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 417-13(3): Baffin and Inuvik Hospital Funding

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, as I indicated before when the time comes that the funding from the

Government of the Northwest Territories is required to supplement the federal dollars that the appropriations will have to come forward from the GNWT main estimates, the capital estimates to proceed with the projects, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Supplementary, Mr. Picco.

Supplementary To Question 417-13(3): Baffin and Inuvik Hospital Funding

**MR. PICCO:**

Thank you, Mr. Speaker. Of course the concern here is that in our case, the Baffin Hospital is 34 years old. The population that it has been set up to serve has doubled. It is \$8 million today but with the PL escalator and the million dollar grant funding in 1998/9,9 that could be \$10, \$11, \$12 million. I think that this government would have a lot trouble finding that. So I want a commitment from this government that indeed the Inuvik hospital and the Baffin hospital will go ahead on schedule. My question to the Minister is has the spending of the \$8 million gone against the Financial Administration Act because the money was specifically for the purpose of the Baffin and Inuvik hospitals and not to go into the Consolidated Revenue Fund.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 417-13(3): Baffin and Inuvik Hospital Funding

**HON. KELVIN NG:**

Thank you, Mr. Speaker. No.

**MR. SPEAKER:**

Thank you. Oral questions. Supplementary. Mr. Picco. Final supplementary.

Supplementary To Question 417-13(3): Baffin and Inuvik Hospital Funding

**MR. PICCO:**

Thank you, Mr. Speaker. Was that no, that the hospital construction is not going ahead or no, that the money was transferred by the federal government? I would like to have this clarified, Mr.

Speaker. Mr. Speaker, does the no mean no that the money that was sent by the federal government has not circumvented the Financial Administration Act and

Page 923

In actuality the \$8 million to date, Mr. Speaker, which Mr. Ng has already said has been consumed, is he telling me in actuality the money has been consumed but it is not circumventing the actual MOU, which I have a copy of, which I think it is? Thank you, Mr. Speaker.

**HON. KELVIN NG:**

Thank you, Mr. Speaker. It is my understanding that all expenditures of this government have taken place under the guidelines of the Financial Administration Act and continue to do so.

**MR. SPEAKER:**

Oral questions. Mr. Miltenberger.

Question 418-13(3): Update on BHP Developments

**MR. MILTENBERGER:**

My question is to the Premier in regards to an update on what is happening with BHP? Things were happening late last week. Could he update the House please? Thank you.

**MR. SPEAKER:**

Mr. Premier.

Return To Question 418-13(3): Update on BHP Developments

**HON. DON MORIN:**

Thank you, Mr. Speaker. It is my understanding that negotiations are ongoing between BHP, Treaty 8, and Treaty 11 this weekend. The Metis Nation go back to the table. I believe they are on the 9th or 10th of this month. Negotiations on environmental agreement per se is pretty well concluded, as well as negotiations with BHP on the socio-economic conditions are fairly close to being concluded. Today is the final day of negotiations. It is my understanding that all parties are still at the table. All parties are working close to 24 hours a day. It seems to me from the information I have from my staff, that all parties are trying to come to an agreement. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Question period is over. Item 7: Written Questions. Mr. Ootes.

Return to Item 5: Recognition of Visitors

**MR. OOTES:**

Mr. Speaker, I seek unanimous consent to return to Item 5: Recognition of Visitors in the Gallery.

**MR. SPEAKER:**

The Member for Yellowknife Centre is seeking unanimous consent to return to Item 5. Do we have any nays? There are no nays. You have unanimous consent Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Speaker. I would like to introduce several members in the Gallery. A very well known northern Metis elder, Darcy Arden and his wife June Van Dine-Arden. Also I would like to introduce Bob Spence and Ruth Spence, Ruth is a city alderman and Bob is a very well known mining engineer in Yellowknife.

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the Gallery. Item 7, written questions. Item 8, return to written questions. Item 9, replies to Opening Address. Item 10, petitions. Ms. Groenewegen.

ITEM 10: PETITIONS

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. I would like to present a petition today on the matter of naming the new western territory. Mr. Speaker, Petition No. 68-13(3) contains 81 signatures from residents of Hay River. Mr. Speaker the petitioners request that: We, the undersigned, feel that the name for the western territory should remain as is, the Northwest Territories. As most of us have either been born here or have resided in the Northwest Territories for most of our lifetime we consider the Northwest Territories our home and would like to see the name remain as is. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Item 10, petitions. Item 11, reports of standing and special committees. Mr. O'Brien.

ITEM 11: REPORTS OF STANDING AND SPECIAL COMMITTEES

Committee Report 6-13(3): Report on the Review of the Report (1994-95) of the Auditor General to the NWT Legislative Assembly for the Year Ended March 31, 1995

Page 924

**MR. O'BRIEN:**

Thank you, Mr. Speaker. For the first time since the Legislative Assembly standing committee structure was changed, the Standing Committee on Government Operations has reviewed the Annual Report of the Auditor General. This task was formerly the duty of the Standing Committee on Public Accounts. The new Committee structure allows members of the Government Operations Committee to consider the Auditor General's comments in conjunction with other relevant issues which have been considered by the Committee before, rather than in isolation.

The Standing Committee met to review the report on August 26 and 27, 1996. The first day of meetings was devoted to briefings by the Auditor General's staff and Committee staff on the nature of the public accounts, the auditing process, the review process for the Auditor General's Report, and issues raised in that report. The second day, August 27, was a public meeting at which committee members took the opportunity to discuss the relevant issues with the comptroller general, Mr. Lew Voytilla, and the Deputy Minister of Health and Social Services, Mr. David Ramsden.

A number of important issues arising from the report, as well as issues raised in last year's report, were addressed by committee members. Our report contains seven recommendations for consideration by Members.

Mr. Speaker, with that I would like to move that the Report of the Government Operations Committee on the review of the Report of the Auditor General for the year ended March 31, 1995 be received by the Legislative Assembly and moved into Committee of the Whole for consideration. Thank you.

**MR. SPEAKER:**

Thank you, Mr. O'Brien. Seconded by Mr. Erasmus. Question is being called. All those in favour? All those opposed? Motion is carried. Mr. O'Brien.

**MR. O'BRIEN:**

Mr. Speaker, I would also request unanimous consent to waive Rule 93(4) and have the report moved into Committee of the Whole for consideration today. Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Member for Kivallivik is seeking unanimous consent to waive Rule 93(4). Do we have any nays? There are no nays. You have unanimous consent, Mr. O'Brien. Accordingly the Report of the Auditor General will be moved into the Committee of the Whole.

Item 12, reports of committees on the review of bills. Item 13, tabling of documents. Mr. Barnabas.

**ITEM 13: TABLING OF DOCUMENTS**

**MR. BARNABAS:**

I wish to table letters I received on October 2, 1996 from Ms. Lawrie Barton, Principal of the Inuujaq School in Arctic Bay, Tabled Document 80-13(3) regarding the lack of housing in Arctic Bay. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Item 13, tabling of documents. Mrs. Groenewegen.

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, I wish to table a package of letters and background information that deal with this government's fuel subsidy for seniors, Tabled Document 81-13(3).

Mr. Speaker, this package contains:

- copies of correspondence between the Minister of Education, Culture and Employment and Mrs. Esther Braden, President of the NWT Seniors Society.
- a letter from the MLA for Iqaluit to the Minister of ECE and a letter of response from the Minister.
- a letter from Mrs. Braden to the MLA for Yellowknife Centre and attachments.

- a letter to the MLA for Hay River and a copy, I guess that would be to myself, of a motion recommending deferral of revisions to the Fuel Subsidy Program from Mrs. Braden; and

- a copy of a newspaper article from The Hub in Hay River, that deals with the Fuel Subsidy Program for seniors.

Page 925

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Item 13, tabling of documents. Mr. Ningark.

**MR. NINGARK:**

Thank you, Mr. Speaker. Good afternoon. I wish to table an empowering document, Tabled Document 82-13(3), The Graphics of the Kitikmeot Boarding Home Occupancy Level From the Kitikmeot Health Board. Thank you.

**MR. SPEAKER:**

Item 13, tabling of documents. Are there further tabling of documents? Item 14, notices of motion. Item 15, notices of motions for first reading of bills, notices of motions for first reading of bills. We should take a break. Item 16, motions. Motion 16-13(3), Policy Concerning Capital Project Changes. Mr. O'Brien.

**ITEM 16: MOTIONS**

Motion 16-13(3): Policy Concerning Capital Project Changes

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker,

WHEREAS a fundamental responsibility of the Legislative Assembly is that of appropriation of public money to permit the functioning of government of the Northwest Territories;

AND WHEREAS Northwest Territories Act and Financial Administration Act states that an appropriation bill shall be submitted to the legislative assembly for each fiscal year;

AND WHEREAS the Financial Administration Act provides that the Appropriation Bill be based on the



votes and items of expenditure set out in the estimates by Vote 1 - Operations and Maintenance, and Vote 2 - Capital. Expenditures are presented separately in the estimates.

AND WHEREAS the Legislative Assembly has absolute legislative control at the vote and item level as provided by section 29 and 30 of the Financial Administration Act.

AND WHEREAS the provisions of the Financial Administration Act require that no change be made without the Legislative Assembly's approval by way of supplementary appropriations bill process;

AND WHEREAS the Financial Management Board has the authority to transfer appropriations and establish capital projects within certain restrictions;

AND WHEREAS decisions on expenditures must be made in light of the fiscal position of the Government of the Northwest Territories;

AND WHEREAS the Government of the Northwest Territories has a community- based capital planning process;

AND WHEREAS the main thrust of the capital planning process is to involve Members of the Legislative Assembly, municipalities and community groups;

AND WHEREAS there has been a lack of communication between the Ministers and members of the Standing Committees, regarding changes to the capital plan;

AND WHEREAS economic circumstances presently dictate that capital transfers between activities which have previously been common, should no longer be viewed as acceptable or appropriate;

NOW THEREFORE, I move, seconded by the honourable Member for Yellowknife North, that the Executive Council be required to develop and adopt a policy prior to November 1, 1996, that ensures that any new capital project over \$250,000, not identified in the capital estimates for the fiscal year, except those necessary to address an emergency situation, not proceed without prior consultation with the affected Members and the appropriate standing committee;

AND FURTHER, that the policy include a process whereby appropriate consultation occur with the

affected member and standing committee on issues relating to the transfer and deferral of capital projects;

AND FURTHER, that the Executive Council provide the standing committees on a quarterly basis, any

Page 926

changes and adjustments to the capital appropriations in a fiscal year.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Your motion is in order, Mr. O'Brien. Mr. O'Brien, do you wish to speak to the motion?

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Very briefly. Although this issue has been raised regarding certain monies being moved around, deleted, I am sure that this has caused some embarrassment for some Members and it is probably not very popular with my honourable Members across the floor. Nevertheless, it must be addressed, and I am sure that some of my own friends across the floor would have attacked this issue with much more aggression than we have on this side.

Mr. Speaker, I will not go on too long, beating what I consider a dead horse, and I hope the horse is dead. In short, I will say that what we have witnessed regarding the Cabinet budget shuffle is unwarranted, unwanted, and unacceptable, and I believe that in the moving of capital dollars without consultation with respective MLA's tears at the very fabric that bonds together at the mainstay of consensus government.

Mr. Speaker, it is my hope that we are finished with this process, and that we move forward in a positive manner. Thank you.

**MR. SPEAKER:**

Thank you. The seconder of the motion. Mr. Erasmus. Do any other Members wish to speak to the Motion? Questions, Mr. Krutko.

**MR. KRUTKO:**

Mr. Speaker. A member from the Deh Cho has also lost \$1.5 million during the last year of capital expenditures in his home constituency. Money for a curling in the amount of \$500,000 has disappeared.

Where did the money go? A commitment for \$480,000 to renovate the senior citizens home in Fort Providence that was built in 1974 has also been lost. These monies would have individualized several units so that more seniors would be able to live more independently. An additional \$600,000 has also been lost in the area of transportation in the Deh Cho riding for Highway No. 1. Was the money taken from the Deh Cho riding and used in the riding in Nahendeh? As far as I know, the MLA was not aware that all of this money would be taken away. Where is the honour in that, and where is the consultation, and where does the whole process of community empowerment come in? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. To the motion. As the mover on the motion, do you wish to close debate? Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, I have just been informed by my honourable friend, Mr. Picco, that the horse is truly dead, and I will call for at this time, a recorded vote. Thank you.

**MR. SPEAKER:**

Thank you. There is a request for a recorded vote, Mr. Clerk. All those in favour, please stand.

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

Mr. O'Brien, Mr. Krutko, Mr. Rabesca, Mr. Roland, Mr. Miltenberger, Mr. Ootes, Mr. Erasmus, Mr. Henry, Ms. Groenewegen, Mr. Ningark, Mr. Evaloarjuk, Mr. Barnabas, and Mr. Picco.

**MR. SPEAKER:**

Thank you. All of those against the motion, please stand. All of those abstaining, please stand.

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

Mr. Ng, Ms. Thompson, Mr. Antoine, Mr. Morin, Mr. Todd, Mr. Arlooktoo, Mr. Dent.

**MR. SPEAKER:**

Thank you. The motion is passed with 13 in favour, nobody against, and 7 abstaining. Thank you. Item 16. Motions. Motion 17-13(3), Commitment concerning the recreation centre project in Fort Simpson. Mr. Ootes.

Motion 17-13(3): Commitment Concerning The Recreation Centre Project in Fort Simpson

**MR. OOTES:**

WHEREAS the Executive Council have made changes to the 1996/97 Capital Estimates;

Page 927

AND WHEREAS the new Capital Project was added to the estimates of the Department of Municipal and Community Affairs to the transfer of funds within that department;

AND WHEREAS the new project being a recreation project in Fort Simpson was not identified in the Capital Plan of the Government of the Northwest Territories;

NOW THEREFORE I move, seconded by the honourable Levi Barnabas for High Arctic, that the Legislative Assembly expresses its support for the commitment by the Premier for the Executive Council not to proceed with the recreational centre project in Fort Simpson, not previously authorized in the capital estimates for 1996/97 and further support that this project be submitted as part of the five year capital plan for consideration in the 1997/98 business plans.

**MR. SPEAKER:**

Thank you, Mr. Ootes. Your motion is in order. To the motion. Do you wish to speak to the motion, Mr. Ootes?

**MR. OOTES:**

I do, Mr. Speaker. Thank you, Mr. Speaker. I want to state again fairly briefly that we have tried to ensure that this was a fair process and I think we would have had the same reaction as Ordinary Members if it was another community. Lots of communities in the North need recreation centres. We need it to establish that Fort Simpson was of the highest priority which we were not able to do. Fort Simpson may very well have been, but we were not consulted. We do not want to close the project. We have suggested that it be considered for the 1997/98 capital budget considerations in the five year plan. Fort Simpson Recreational project was unfortunately not subject to the same scrutiny as primary projects. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Seconder of the motion, Mr. Barnabas. Do you wish to speak to the motion?

**MR. BARNABAS:**

Thank you, Mr. Speaker. I would like to support the motion knowing that the changes are to the capital plan, I did not approve of the changes. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Are there any further members that wish to speak to the motion? Mr. Ootes.

**MR. OOTES:**

Recorded vote, Mr. Speaker.

**MR. SPEAKER:**

The Member is requesting a recorded vote, Mr. Clerk. All those in favour?

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

Mr. O'Brien, Mr. Krutko, Mr. Rabesca, Mr. Roland, Mr. Miltenberger, Mr. Ootes, Mr. Erasmus, Mr. Henry, Ms. Groenewegen, Mr. Ningark, Mr. Evaloarjuk, Mr. Barnabas, and Mr. Picco.

**MR. SPEAKER:**

Thank you. All those. against, please stand. All those abstaining, please stand.

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

Mr. Ng, Ms Thompson, Mr. Antoine, Mr. Morin, Mr. Todd, Mr. Arlooktoo, Mr. Dent.

**MR. SPEAKER:**

Thank you Mr. Clerk. The results of the recorded vote are 13 for, 0 against and 7 abstaining. This motion is passed.

---Carried

**MR. SPEAKER:**

Item 16. Motion 18-13(3), Censuring the Actions of the Executive Council. Mr. Picco.

Motion 18-13(3): Censuring The Actions Of The Executive Council

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker,

WHEREAS the Executive Council has made changes to the 1996/97 by adding, delaying, deleting and transferring projects;

AND WHEREAS the Ministers did not consult with the Members of standing committees that have responsibility for capital projects in the 1996/97 capital estimates;

Page 928

AND WHEREAS the failure to communicate the changes to the capital estimates has cost significant concern and difficulties to Members of the Legislative Assembly and Constituencies.

NOW THEREFORE, I move, seconded by the Honourable Member for Yellowknife South, that the Executive Council be censured for the manner in which they made major changes to the 1996/97 capital estimates, approved by the Assembly without the prior involvement and support of the affected Members and standing committees.

**MR. SPEAKER:**

Thank you, Mr. Picco. Your motion is in order. To the motion. Do you wish to speak to the motion, Mr. Picco?

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the introduction of this motion sends a message to the public and Cabinet, that the changes in the capital budget and the introduction of new items without prior consultation with the respective MLA is unacceptable, Mr. Speaker. This government began as a non-confrontational assembly and I believe the majority of Members would like to see it continue this way. However, as pointed out in debate over the past few days, ordinary Members had to be consulted and asked for input before deletions or additions are made to individual projects in a particular constituency.

With the continued focus, Mr. Speaker, of this government in trying to reconcile and balance our budget, it is not the time to turn toward the politics of past assemblies. The largesse of the past is gone and the rules of engagement as well as the players have changed; thus this motion. At the proper time, Mr.

Speaker, I will be asking for a recorded vote on the motion. Thank you.

**MR. SPEAKER:**

Thank you, Mr. Picco. The seconder of the motion. Mr. Henry. Do any other Members wish to speak to the motion? Questions being called. Mr. Picco.

**MR. PICCO:**

I would at this time like to request a recorded vote. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Recorded vote is being requested, Mr. Clerk. All those in favour, please stand.

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

Mr. O'Brien, Mr. Krutko, Mr. Rabesca, Mr. Roland, Mr. Miltenberger, Mr. Ootes, Mr. Erasmus, Mr. Henry, Ms. Groenewegen, Mr. Ningark, Mr. Evaloarjuk, Mr. Barnabas, and Mr. Picco.

**MR. SPEAKER:**

All those opposed, please stand. All those abstaining, please stand. Thank you.

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

Mr. Ng, Ms. Thompson, Mr. Antoine, Mr. Morin, Mr. Todd, Mr. Arlooktoo, Mr. Dent.

**MR. SPEAKER:**

Thank you, Mr. Clerk. The result of the recorded vote is 13 for, 0 against and 7 abstentions. This motion is passed.

**MR. SPEAKER:**

First reading of bills. Item 17. First reading of bills. Mr. Ng.

**ITEM 17: FIRST READING OF BILLS**

Bill 18: An Act to Amend the Public Trustee Act

**HON. KELVIN NG:**

Mr. Speaker. I move, seconded by the honourable Member for Aivilik that Bill 18, An Act to Amend the Public Trustee Act be read for the first time.

**MR. SPEAKER:**

Thank you. Your motion is order. To the motion. Questions being called. All those in favour? All those opposed? The motion is carried. Bill 18 has had first reading. First reading of bills. Mr. Ng.

Bill 19: Electoral Boundaries Commission Act

**HON. KELVIN NG:**

Mr. Speaker, I move, seconded by the honourable Member for Aivilik that Bill 19, Electoral Boundaries Commissions Act be read for the first time.

Page 929

**MR. SPEAKER:**

Thank you. Your motion is in order. To the motion. Question being called. All those in favour? All those opposed? Motion is carried. Bill 19 has had first reading. First reading of bills. Second reading of bills. Consideration in committee of the whole of bills and other matters. Tabled Document 1-13(3), Ministers' Statement 82-13(3), Ministers' Statement 86-13(3). Committee Report 6-13(3) with Mr. Ningark in the Chair.

**ITEM 19: CONSIDERATION IN COMMITTEE OF THE WHOLE**

**CHAIRMAN (Mr. Ningark):**

Thank you I would like to call the committee of the whole to order. Item 19: Consideration in committee of the whole of bills and other matters. We have four items here; Tabled Document 1-13(3), Report of the Commission on MLA Compensation; Minister's Statement 32-13(3), Premier's Sessional Speech; Minister's Statement 86-13(3), Senior's Fuel Subsidy Program; Comittee Report 6-13(3). What is the wish of the committee? Mr. Ootes.

**MR. OOTES:**

Mr. Chairman, if I may recommend that we consider Member's Statement 86-13(3), Senior's Fuel Subsidy Program.

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we have the concurrence of the Committee that we will deal with the Senior's Fuel Subsidy Program? Agreed. Do you want to proceed

now or do you want to take a break? We will take a 15 minute recess. Thank you.

--- SHORT RECESS

**CHAIRMAN (Mr. Ningark):**

Regarding Member's Statement 86-13(3), Senior's Fuel Subsidy Program and I would like to recognize Mrs. Groenewegen.

**MRS. GROENEWEGEN:**

Thank you Mr. Chairman. We wanted to discuss this matter and we tabled the relevant document today so we could discuss it in some detail. Just to summarize a little bit of the background of why there is concern amongst a number of the Members regarding the change to this fuel subsidy. I will just outline a few of the points and I am sure other Members will put the meat on to the issues. It is felt that the policy as it was changed was done too quickly, without enough thought of the fact that the policy is too broad and it does not take into consideration regional disparities and the cost of living in the Northwest Territories. In fact, the threshold is far too low when you look at it in terms of what the national poverty line would be and take into consideration the additional costs of living in the North.

We also want to question the Minister with respect to the consultation that took place with the NWT Seniors' Society, because we have certainly heard from a lot of seniors in a lot of very vocal ways including, in my constituency, an actual protest march through the town, with seniors carrying placards and so on. If they had been consulted in advance, it was a rather unusual reaction after the fact. With that I would just like to close by saying that there is a lot of concern about this. It is not saving the government a tremendous amount of money, and the last thing we want to do is take measures as a government that are ultimately, in the end, going to cost us more to deal with the problems that they will cause. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mrs. Groenewegen. Do you have questions for the Honourable Mr. Dent?

**MRS. GROENEWEGEN:**

I could start off with a question for the Minister. Perhaps he could just outline for us the consultation that took place with the seniors. It was my understanding that the NWT Seniors' Society had

been promised by this government previously that any further changes or cuts to assistance to seniors would include prior consultation with them. Perhaps the Minister could just elaborate on that consultation for us.

**CHAIRMAN (Mr. Ningark):**

Thank you. Honourable Minister Dent.

Page 930

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. There is bit of a difference of opinion between the Seniors' Society and departmental staff in terms of just what happened in consultation. I have already apologized to the Seniors' Society for miscommunication that has taken place. Department staff thought that they were letting the Seniors' Society know about changes which were planned but it appears that in fact the Seniors' Society did not feel that they were being adequately consulted.

Starting in the summer of 1995, our director of income support programs met with Mrs. Braden, who was president of the NWT Seniors' Society; Shirley Hislop, who is a consultant; and Barb Bond who is director of the NWT Seniors' Society, to discuss the transfer of social assistance from Health and Social Services to Education, Culture and Employment. At that time, the issue of reductions to the Seniors Fossil Fuel Subsidy Program was discussed at some length. From that meeting our staff person felt that the recommendation was that the benefit should continue as a contract to supply fuel and not a cash payment. At the same time, although the Seniors' Society does not agree that this happened, our staff person thought that he was advised that tying the subsidy to the Seniors' supplementary benefit was appropriate.

In the summer of 1995, again at the NWT Seniors' Society Annual General Meeting, a briefing on the transfer of income support and anticipated changes to the program, including the planned reduction to the Seniors Fossil Fuel Subsidy was given by a department member. In the fall of 1995, again there was a meeting with the Seniors' Society to confirm that the fuel subsidy would not be reduced for winter starting in the fall of 1995 but that it would be reduced for the fall of 1996.

Then in July of 1996, another meeting was held with representatives of the Seniors' Society to discuss the

changes to the Seniors Fossil Fuel Subsidy Program. At that meeting, in July 1996, Mr. Chairman, that would have followed the adoption of Education, Culture and Employment's budget in this House. So the program would have been set or the changes would have been basically cast at that time. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Dent, Mrs. Groenewegen. On the list of people wanting to speak, Mr. Ootes, and Mr. Krutko. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I would like to review a number of items.

Two hundred and fifty senior homeowners in the NWT have become ineligible for the assistance, which is \$135 a month. It is provided either through wood, propane, fuel oil, or natural gas. For the government, this has meant a 35 percent reduction from \$570,000 to an expenditure of \$370,000, a saving of \$200,000. The NWT Seniors Advisory Council was established by the NWT Seniors' Society and the Department of Health and Social Services in April 1995.

Today, the Advisory Council says, and Mr. Dent has spoken on this, that it was not given the opportunity to review the changes to the fuel subsidy program. Mr. Dent has explained there may have been a communication problem in this situation. The council, though, continues to ask if it can work with the government on developing a new policy.

They have a number of questions. For instance, instead of using the NWT Seniors supplement benefit as a means test, the new policy proposing using a single income of \$12,000, and a couple income of \$30,000 for those 60 years and over. One of the items that the Seniors' Society has pointed out, is that government is telling people to use the Seniors information line as a phone number to get information. They are not quite clear as to the eligibility of people. Also, there seems to be some confusion, because they have stated, and I am getting this from reports from the Seniors' Society. They have stated that government workers are telling people

Page 931

they have to be 65 and over to receive the supplementary benefit, to qualify.

The society feels policy changes are not clearly thought out. The seniors have offered to review the policy, but they feel that that offer has been ignored. At their most recent meeting, they passed a resolution. In that resolution, they pointed out that seniors should be encouraged to own their own homes. The government needs to encourage people to be self-reliant, by owning their own houses, and be self-sufficient. They point out that owning their own homes contributes to an independent and healthy lifestyle for northern seniors and elders. Also, it reduces the dependency on government.

There is an item I would just like to point out. There seems to be some confusion on this as well. I have been reminded by two official people in two official positions, the president of the NWT Seniors' Society, Esther Braden, and also by the chairman of YACCS, Yellowknife Association of Concerned Citizens, that the origin of the program was an effort to also encourage people to stay in the NWT when they retired. The fuel subsidy program recognized that, in certain areas, living in the NWT, costs were higher. In other words, it is an inducement program and an incentive program to stay in the North. But, this is not clearly defined anywhere, I understand, so it may have gotten lost. This is what I have been told by two official people.

The other item I wish to draw attention to, which I believe the Minister has, is the resolution that the Seniors' Society wishes to defer until April 1997. That is, the implementation of their vision to the Seniors Fossil Fuel Subsidy Program, and that the NWT Advisory Council be mandated to develop and recommend a fair and reasonable proposal in conjunction with the department on how revisions to the program can be implemented. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Ootes. We have Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I have raised this issue in the House, and also it is dear to my heart because the individual that has been affected is someone I respect dearly, and who is a widow who basically sews for supplementary income. Because of those two circumstances that she is under, she does not qualify because she happened to try to continue a cultural activity such as sewing slippers and shoes for people for weddings and dances. She has been a widow for

over 10 years. Her husband worked for this government for many years. Yet, because of her having an extra income besides a pension and a widow subsidy, she basically has been disqualified.

Living in Fort McPherson, the cost of living is a lot higher because of the longer winter season we have. Also the cost to maintain a home; the home that she has is one of the old Weber units, which she paid into for almost 20 years. It is not like these are new HAP units or ACCESS units. It was a mortgage for them to qualify for those units, and her and her husband paid until the day he passed on and she continued to pay on her own. But, because of the gouging that took place in regards to this subsidy, she is not able to be eligible for something that we take dearly as an aboriginal organization and people in the North, which is to respect our elders.

The way you look at what this government is doing in the way of these cuts, they basically tried to cut the people that try to keep their dignity and their values of being independent, and take that away from them to become another statistic in an old folks home.

**AN HON. MEMBER:**

Hear, hear!

---Applause

**MR. KRUTKO:**

I think this government has to clearly identify its priorities. It says it is going to improve the social conditions of communities. This is not going to improve it. It will probably make it worse. They are going to become another statistic that we are going to

Page 932

have to pin on the wall and say, "Oh, oh, Social Envelope dollars just went up again." The same thing with empowering communities and community wellness. These people get the respect and maintain that dignity in the community by being elders and people that you can look up to because they show the other people that they do not need government and that people can try to do it on their own and. But because I am a pensioner, we are not going to push you aside and use you as another statistic.

My question to the Minister is, I would like to know exactly how he came up with the criteria in which he cut almost 60-something percent of the people that used to be eligible, in which the remaining 38 percent

of the people that he came up with. I would like to know if he took into account the cost of living in the other areas of the Northwest Territories in the form letter that he used, and that there are people out there that are widows, there are people with disability insurance and benefits that were arrived at because of the circumstances that they found themselves in.

Could I have the attention of the Minister, if he can get his head out of that book. I would like to know if he has the answer to that question because I believe that if this is how we are going to treat the elders -- and we are talking about the 24 positions we agreed to in this House when we came in here, is that we would not affect those people that need it the most.

**AN HON. MEMBER:**

Hear, hear!

**MR. KRUTKO:**

Those are the words that we basically put forth when we came into this House yet, from the positions that have been taken, it seems like they are the first ones that are on the firing lines. Thank you, Mr. Chairman.

**AN HON. MEMBER:**

Hear, hear!

---Applause

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Krutko. Mr. Dent, would you substantiate, please? Thank you.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, I was not pleased at having to come forward with this kind of program change myself. The only reason the Department came forward with this change was the need to meet the fiscal targets that were set for the department. What the reasons are for this program in the past, I cannot say. I am not sure that it was necessarily intended to keep Northerners in their homes. I am not sure that the initial reason was to keep more people in the North. I do agree that it was most likely intended to enable more Northerners to stay in their homes which is, of course, much less expensive for the government and usually provides a better quality of life for seniors.

I think that, in addressing one of the comments Mr. Ootes made about the confusion, there is no question that the initial guidelines as instituted left a gap, and that was for people between the ages of 60 and 65. After talking to Members of this Legislature and the Seniors' Society, I directed that we make changes to the program to ensure that those who are between the ages of 60 and 65 could qualify at the same level as what had been set for those over 65. In that time period, when the first set of guidelines came out and when it was pointed out to me that that meant there was a gap over who we said the program was intended to serve and who it was actually serving, yes, there was some confusion.

We, I think, have fixed that now and if the Seniors' Society has any questions about the operational guidelines for the program, I would be happy to ensure that they have a copy of the guidelines that are being used by the staff members of this government when determining who is able to qualify.

In terms of how the decision was made to tie the income levels to the cuts, it was basically done on an analysis which cross-matched recipients from the 1994/95 year with those seniors who receive the

Page 933

NWT Seniors' Supplementary Benefit in 1995/96. This analysis depended on information which was supplied by the regions and was collected in differing formats. This is complicated because we had not in the past applied any income or means test to the program, so we did not have any hard and fast numbers from which to work, and yes, there were some assumptions made in arriving at the final numbers.

Let me remind you that the bottom line was that this was done to meet the fiscal target. It was also recognized that it is part of our social programs, part of our income support programs, and it has to be tied to those most in need.

I met with the Seniors' Society and offered to provide them with more information. I said that after they had that, I would welcome their comments. So, I would certainly like to hear what they have to say. It will not mean that we can change this program this year. I do not have the money to change this program this year. In order to meet the Department's targets, this reduction has to proceed. I do not have to remind the Members here that we have a Deficit Elimination Act which says that Cabinet has to meet the targets that are set for them and I am afraid that I do not have any

flexibility when it comes to something like this. I have no choice but to say that we have to continue.

If the Seniors' Society can come to me with a re-designed program that makes some sense for future years, that does not cost this Government any more money, I would certainly be willing to consider that take it back to the Social Programs Committee to see whether or not we can put into our future business plan. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:**

It is not hard for me to hear you say that you cannot change it. I think from what we have seen we can basically change anything on that side of the House so I do not think there should be a problem changing this thing.

I would just like to state that from the percentage that we are looking at, especially in my riding where there are a large number of people who are elderly, who basically made the move to continue to maintain their own homes, and live in their own homes without moving into social housing and basically to keep a life style that they have grown to know. They have a lot of respect as they felt they were doing what they have done without being dependent on Government.

But from the way you have slashed and burned that is almost 60 percent of the people in the Mackenzie Delta that are excluded from this program, and for the people that you have left there, for the amount of money that they do have to maintain and basically operate their lifestyles, to continue to live in those units, they are going to have a heck of a time to make it with the income that you are leaving them with. \$12,000 or \$13,000 is not much when you are living in a community like Fort McPherson where basically it is going to cost four or five extra fill-ups besides the two that you get from the Government in a winter to maintain those units. Plus, for the amount of money that you do leave them with, you put them at such a low wage bracket that it is going to be amazing as to how these guys are going to sustain their own units.

I think you should reconsider the position, that you should make it retroactive and find the money elsewhere. Like I mentioned earlier on in my statement earlier last week, it is costing this government \$80,000 a year to keep someone in YCI



but we do not blink at that. Yet when it comes to saving \$200,000, which is two individuals, maybe they are better off to go to YCI because at least there you will be taken care of by the government at \$80,000 whereas it is going to cost you \$1,200 to take care of an elder. Let us get our priorities straight here.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are still in the comments. I would

Page 934

like to remind all the honourable Members to try and avoid the interrogative nature. This is an emotional issue but try to make sure we do not provoke any argument within the committee.

Any general comments? We are considering Seniors' Fuel Subsidy Program. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I wrote the Minister concerned on the changes to the fuel subsidy for seniors a few weeks ago. My main concern with the fuel subsidy for the seniors is that it does not seem to be based on any regional variation in the cost of living by territory. I would personally like to see that change. A threshold income of \$30,600 for a couple in my riding and in our region of the Baffin is not very much. I think that is a major concern. To me it would not matter if it was just one senior or fifteen losing the subsidy. If it hurts one person then it is hurting. I would ask the Minister to again revisit the threshold of income and base it on the needs.

The amount for a single person, for example, is \$12,924, which is below the poverty line for sure in our region, especially in the High Arctic. So as a general comment, Mr. Chairman, I would like to see that threshold be looked at based on the regional variation of the cost of living in the different regions as opposed to the flat threshold rate which seems to be based on Yellowknife. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe there was some question towards the item. Mr. Dent.

**HON. CHARLES DENT:**

Thank you Mr. Chairman. Mr. Chairman, this program is seen as part of our overall income support programs and while it may have a flat cut-off rate, our

income support program, in general, is related to the cost of living in each community in the North. As such, I am satisfied with the support provided to people in the North. It is as equitable as possible.

I think it is worth mentioning that this government has a number of programs for seniors. This is only one of them. We also offer a program which will match any municipality, up to 50 percent of the property taxes that a senior may pay on their properties. That means that if municipalities go along with it, that a senior in the Northwest Territories who owns their own home could pay no property tax.

We also offer seniors in the Northwest Territories, through the Housing Corporation, financial help in the amount of \$7,500, as a grant in order to help the client improve their own home. This could include things like making the home more energy efficient so there would be less need for heating assistance. That \$7,500 also is well it is a flat sum—there is recognition that it would cost a lot more to transport the materials to some communities than others so the cost of transportation for materials is added to that.

I think that this government has a pretty good record of providing assistance to seniors. Like I said, it pains me to have to come forward with this kind of cut but in order to meet the fiscal targets that were set for my Department, I had nothing but difficult cuts to make. I am afraid that I do not have the flexibility to do as the honourable Member for Mackenzie Delta has requested, to defer this program and find the money somewhere else. The Member knows he has been after me to find some money for a larger gym in his community and I have not been able to do that either. I have all sorts of pressures and requests for more money and it just is not easy to find any money these days.

I think that when everything is taken together, I think that we have still gone out of our way to make sure that we provide pretty good support to our seniors in the Northwest Territories. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Minister. I have Mr. Picco, Mr. Henry and Madam Groenewegen. Mr. Picco.

Page 935

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I do not think anyone is under the guise that the Minister has

an easy job or an easy task. I do not think there is anyone here today trying to give the Minister a difficult time over the tightening fiscal situation that we find ourselves in as a government.

After saying that, I want to say that, for example, in the Nunavut region, there is only one tax based municipality where an elder would get a discount on their tax bill. Whereas the rest of the 99 percent of the communities in Nunavut, for example, are not tax based and thus the little adage story that the Minister mentioned does not apply.

What I am saying is, Mr. Chairman, that the \$30,600 per couple is not sufficient as a threshold based on the cost of living in Clyde River or Igloolik or Pond Inlet or Iqaluit or Pelly Bay, Spence Bay, Gjoa Haven, Cambridge Bay. Somehow we have to take that into account. Based on the Minister's own numbers provided to me and to the committee and to the Members earlier, I do not see that being much of a cost to this government. I think the total savings is something like \$300,000 on cutting and eliminating this subsidy. By raising the threshold amount and taking in the regional variations it would be about \$80,000 or \$90,000 difference.

I think, and I would ask the Minister again to look at his numbers, re-check the numbers and see if we can make some type of arrangement for our dedicated and well respected elders in our communities on this subsidy, based on the threshold amount based on the regional variations in cost and living allowances. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Dent, did you wish to respond? Do we have room to manoeuvre? Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Just to clarify one point that Mr. Picco made. The program which is administered by MACA, called the Senior Citizens and Disabled Persons Property Tax Program. This Government in fact provides 100 percent rebate to seniors living in the general taxation area of all the communities in the Northwest Territories for people paying taxes. So it would not be just one community in the Baffin that that program applies to in fact.

In regards to the Member's question, it is too late for this year to make any changes to the program. The program was instituted as a cost-saving measure and

since it has already been announced, people will have taken advantage of it. We are not in a position to make changes for this year. We can certainly take a look at options for future years but I am afraid it is too late to make changes for this year. Thank you Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

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

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman I just want to clarify I would like to see something in writing where in actuality the GTA or the General Taxation Area people are actually paying taxes. As a person who has lived in Clyde, Pond, Dorset, Broughton Island and Iqaluit, I have never paid taxes anywhere other than Iqaluit, which is a tax-based municipality. I would like to hear from someone else who is living in a town outside of a tax-based area that is actually paying taxes. I think the point is rather moot. But, again, I would request the Minister to try to find the additional \$40,000 or \$50,000. Maybe the Minister could look at the actual differential with his departmental officials, to find out exactly what the threshold amount would be, and to see what the cost to the government would be to try to help out our respected elders.

As Mr. Krutko has pointed out, we said we would never take the deficit strategy out on the backs of the elderly or the unemployed. I do not think we are trying to do that, but, I think that the point has to be made, as you made clear. Again, I would ask

Page 936

the Minister to re-examine his dollar values, and report back to the Legislative Assembly with these savings. I do know the Minister is compassionate, that he is staying awake at night worrying about the deficit situation that he talked about earlier. That he is trying to find the money from all the different sources, from the consolidated revenue fund that seems to have eaten my eight million dollar hospital money too.

So I would like to see the Minister re-think his position, and come back with a cost of living allowance amount that will allow the threshold to increase for places in communities that are outside, especially off the road. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, will you re-examine your position, Mr. Minister?

**HON. CHARLES DENT:**

Perhaps I have found a way to pick up some of that money. I will make sure that I talk to my colleague, the Minister of Finance, and get him to send a bill for unpaid taxes to the honourable Member. Because, I am assured by the Member seated next to me, that in fact taxes are supposed to be paid on private property on houses in the General Taxation Area, in the Baffin.

I have already said, Mr. Chairman, that I would be prepared to look at options and discuss them with the standing committee as regards next year's program. I maintain that it is too late in this program's year for us to make any changes to it. Yes, I will be happy to discuss with the standing committee what changes we might make to the program for next year. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. General comments, we have Mr. Evaloarjuk.

**MR. EVALOARJUK:**

(Translation) Mr. Chairman, none of this document is written in Inuktitut. I would like to understand the gist of the meanings of our conversation today. Even though it is not so much involved in our meeting in our community, there are two items that I would like to have clarified. I am sure there are going to be more elders that are going to live longer in the future. For this program to have benefited them that they had been able to get last year, and this year, that people will be eligible for, that have been cut off. I would like to have this document translated into Inuktitut.

**CHAIRMAN (Mr. Ningark):**

Thank you Mr. Evaloarjuk. I must apologize that some of these documents are not translated. They will probably be translated as you requested. Thank you. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. I know that the Minister's Statement that we are talking about was translated. The Member will be able to find a copy of that in his binder, the number 86-13(3). That may help him to get some understanding of what we are talking about.

Obviously, the documents which were tabled today would not have been translated.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Dent. It is unfortunate the honourable Member for Amittuq does not have the translated version of a very important item. Perhaps in the future, we will endeavour to make sure that some items of importance would be translated for the benefit of the honourable Member. Mr. Evaloarjuk, do you have any further comments? Mr. Evaloarjuk.

**MR. EVALOARJUK:**

No, I am done.

**CHAIRMAN (Mr. Ningark):**

Do we have further comments? Mr. Henry.

**MR. HENRY:**

Thank you Mr. Chairman. I believe what we are discussing is a question of fairness. There are some seniors who can afford to forego the fuel subsidy. The policy nonetheless that is in effect, states that if you have already paid your taxes, have already taken care of your retirement, this government is going to extract more from you. We are going to hit you again. I believe that there would have been much less discussion about this situation if all seniors, or if the policy was implemented had been fair. Those that can afford to pay, take a bigger hit than those cannot afford to pay.

Page 937

I believe that is where the department and the government fell down. They took it from one end. Everybody can afford to give something. Everyone can afford to participate in reducing the debt. I believe that the seniors are also saying that. They are talking about those that have more hardship, through this initiation. I am a little dismayed at the Minister today offering to receive input from the seniors group, the same group that he could have received input from previously, after the fact. Thank you Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Den, I believe you wanted to respond to the honourable Member. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, I guess I have to say I reject Mr. Henry's premise. I say you do not collect taxes or more taxes from poor people. This is an income support program. We provide income support to those who need it, not to those who can afford it. It is supposed to be a situation where we help those who cannot help themselves.

I guess I need to say it again. When I came forward with this program, I did not do it without taking it to the standing committee. I took it to the standing committee. I highlighted it there. I guess some Members think that I should have highlighted it in the House. I regret not having done that now, so that we could have had this discussion earlier. But, in fact, the numbers of reductions that I had to undertake in my budget were such that less than half of them probably got highlighted in my opening comments to this Legislative Assembly.

This was done, as I said, on a strictly fiscal basis, because we had to find this amount of money in order to meet our targets. I do not think it was done in such a manner as to hurt those people who are most in need. I think our income support programs do supply adequate support to those who are most in need. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. In times of fiscal restraint, I think we need to define departments-in-line within our jurisdiction. What really constitutes poverty within the system. I think we need to define that. Mr. Henry, are you still...

**MR. HENRY:**

Thank you, Mr. Chairman. The Minister has stated that he is willing to receive input into a plan from the seniors in the next fiscal year. Do I deduce from that there are not any additional reductions that are being looked at? If he is going to receive input on how to restructure the program?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Henry. We still have Mr. Miltenberger, Mr. Krutko, and Mr. Minister.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, I cannot guarantee that there will not be more cuts in any aspect of the budget. When we come forward with our business plans, we will discuss all of the options with

the standing committees, and ultimately, this Legislature.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have Mr. Miltenberger and Mr. Krutko. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. I would just like to point out from my recollection of history on this particular program. This program started out about five years ago or so as a wood subsidy program for people that burned wood to help them out, over 60, that live in their homes. It was geared for people that did not live in major centres, was the initial intent, if my memory serves me correctly. There has been steady upward pressure on the program to expand it for fuel oil, for electricity, propane, and in increasing numbers. They started out with a universal program, where you had people making sixty, seventy, eighty thousand dollars a year, getting the fuel subsidy, because of the largesse of the government.

In that space of five years, it is not seen as a subsidy program anymore. It is seen as a necessity, an entitlement, and people do not want to give it up,

Page 938

and who can blame them. The intent, I think, has got a little skewed over the years. Now we are in a situation where we are trying to carve back areas. A program like this that was universal in nature, definitely needed changing. It made no sense to me to pay people that are government employees a fuel subsidy on top of what they may be making as a government employee, or employed in the private sector.

The question I have is, this thing was run through the social programs, it was highlighted, it was raised by the Minister, and went to everybody. Every mayor, every MLA was told it was coming. So now we are in a situation, we have people that are upset, and of course, when people get upset at MLAs, MLAs get concerned and sensitive. That is their job. As I sit around the table here, we want to keep this program.

So where are we going to get the money from? Are we going to take back a piece of road, are we going to carve up some bundles of fur? Are we going to carve back a few teachers, and increase the student-teacher ratio, community recreation quotas, where are we going to get the money from?

I think we have an obligation, if we are going to start doing this kind of shuffle. When we set the targets, we changed the Deficit Elimination Act. We are the ones, with the exception of Mr. O'Brien, who has been very consistent, and said we have a two-year plan to balance the budget. Where do we take the money from? Are we going to be doing this on a regular basis? Every time we get squeezed a bit, we are going to come back to the House, to either pillory the Cabinet for not giving them more money, or not saving this program? What are we going to do as an Assembly? How do we deal with this?

It is an issue, like Mr. Picco says, it is a motherhood and apple pie issue. So let us get past the high emotion, and let us look at the specifics. What are we going to do? We could sit here for the rest of the week, and keep singing the same song, but let us be constructive. If we do not want to cut, we have all these other initiatives. Well, then, where do we find the money? I am more than interested in looking at that, because I am interested to see what the options are, what the seniors have to say. Where do we go from here? I do not want to do the Minister's job, but I have an interest in the social programs on this issue. What are we going to do? By all means, give us some input. But give us something concrete. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you Mr. Chairman. That is a grand speech, but personally I have some major problems with it. I do not agree that we should be cutting people that need it most, especially seniors. It does not matter, oh, we have to think of reality here. Reality is, times are changing. Things are getting tougher in the communities.

We take the emphasis, well, you know, they worked all their lives, they should pay for it. I do not think that is the case. This was a subsidy that was put there to assist people in regards to keeping them in those communities, and keeping them independent. We either look at that cost, versus the cost that it will cost this government to put them in institutions which basically seem to be the method that most governments are going at now. Let us push them aside, and say, that is the end of it. You have done your time, you are no good to us, so we will push you out the back door, and go out to pasture. We are treating these people like a bunch of cattle.

I think the statement from the individual on the social committee, I do not think that there was consultation with myself, as an MLA, and the constituency I represent. From the statistics you can see in my riding, especially in the Inuvik region, there are 148 people. Out of that, 84 people have been affected. In Gwich'in, that riding, basically the Mackenzie Delta, people have worked many years to have their own homes.

Page 939

The ratio that you are using for the people that are qualified, is so far down in the streamline of putting them on the bottom of the barrel basically for them to get the subsidy, they are still going to be able to find other revenues to get through the rest of the winter.

I think that using the formula you came up with, it is not practical in the sense of the word and for using the excuse that, "Well, we have to cut so we are going to take \$200,000 from the elders' subsidy." We just passed a couple of motions dealing with the way things were moving around in the budget, somewhere in the realm of \$5 million which everybody blinked and passed a motion and that is the end of it. When it comes to individuals in the communities such as our elders, we seem to have a real problem just saying, "Sorry, we support our elders but they have to take the cuts, too." I think they have taken enough cuts living in the North all their lives and raising their families.

Most people work for this government to get to where we are today and most of the other people that work for the government and go south and basically retire down south, maybe that is the message we should give to our seniors. That is, they are better off going south because this government does not care for you. I think this is the message that is coming from the Minister as well as the Member from the social committee. I think surely we can find \$200,000 elsewhere.

Also, the Minister said he consulted. There is a letter here from the seniors, Esther Braden, clearly stating that they were not consulted. If the Minister says he consulted them, I would like to know the method he used because when my phone started ringing, basically I do not think I was consulted either. We just finished going through a process of moving capital and things around, consulting MLAs that are affected.

You talk about consultation and the whole idea that we cannot do anything about it now. I believe we can

do something about it now -- put a motion on the floor and basically find the money elsewhere. Do consultation fairly so that everybody is involved and come up with a formula that we can all live with. But, I do not think that is what I am hearing here. If there is a method out there that someone can come up with, the more power to them, or just leave the thing the way it is and find \$200,000 elsewhere would probably be the simplest process. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Krutko. Mr. Minister, there is a question on the method that was used to communicate. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, I outlined earlier what process had taken place. I said at the time that I was outlining it that there was a difference of opinion between the Seniors' Society and departmental staff as to whether or not it had been in consultation. I have also said that I apologized to the Seniors' Society for the miscommunication and have committed to them that it will not happen again. I have said that I will personally pick up the phone anytime we are going to make any future changes and let them know before my Department does anything that affects support programs that we provide to them.

The view of the department is that this, like income support, is lumped together with income support. It is one of the support programs that we provide to people in the North. Reducing it does not say that seniors are not important. What we discovered was that there were a number of people who are making significant sums of money in a year who are also getting the subsidy. We cannot afford to provide subsidies who can afford to look after themselves. This is intended to help people who have no other way of supporting themselves.

Our income support program is designed to make sure that people are not left in the cold and are not going hungry. I do think they recognize the cost of living across the North. This one aspect of it is not set up that way, but that does not mean that the whole program does not take that into account.

Page 940

In terms of the recommendation that we just find the \$200,000, I wish I could. I do not have any idea where I would find that money at this point in time. If the

Member plans to put a motion forward, I hope that he would, in that motion, indicate where the funds should come from. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have Mr. O'Brien, Mr. Ootes and Mr. Krutko.

**MR. KRUTKO:**

You mentioned that you are sorry you did not consult and basically that you will never do it again. The thing is already done. Basically, 60-some percent of the people that were receiving the subsidy will not be receiving it. Basically, the other issue you are talking about is that you came up with an equitable amount. I do not think this amount is equitable. People have to sustain themselves. If you are talking about someone with \$20,000 or \$30,000 and, from your statement, it sounds like you were earmarking the people making \$50,000 to \$60,000 who are basically in private business or in government, I do not see it in here. It seems like you came to the bottom of the threshold and used that number as low as you could get it to eliminate as many people as you can. If that was not your intention, maybe you should deal with the issue you are saying was the issue, which is people who are making large amounts of money and who can afford it.

For the people in my riding, it is basically survival of the fittest in the Mackenzie Delta with regards to if you have a job, good for you because the other 90 percent of the people do not. If you sew for a living, we will charge you for that too. If you were earmarking the wages of people at the higher bracket, why did you not go after those people instead of going after everybody and leaving the people who are so far down that they are probably going to have problems making it with what they have anyhow? In my riding, the people that were saving the fuel subsidy last year were still having to get three or four extra fills just to get through the winter because it was such a cold winter last year that they had to find additional money to try to get through. There are a lot of people out there that were depending on this to get them through this winter. Basically what you are saying now is, "Sorry, it is eliminated and maybe better luck next year." That does not help them out because they were planning to hopefully fit that bracket, but the way it is right now, it is so low that they will not be able to do it.

In regards to the idea of finding \$200,000, we are going to be dealing with a separate supplementary

appropriation. There are a few dollars that have been moving around there. We have just finished going through a circus here about people paving their streets and basically people moving projects; there was no problem there to find the money to do that stuff. There has to be money in the budget that we can do that with. If there is a will, there is a way.

**AN HON. MEMBER:**

Hear, hear.

**MR. KRUTKO:**

There has to be money there. If you are able to do that, I cannot see why you cannot find \$200,000. My point is, if the people we are after are the people in the higher bracket, why do we not spell that out instead of basically eliminating everybody that is above a certain level and say they have hit their target at 60-something percent and saving \$200,000, I do not think that was the intention of this. If it was, I sure will not support it.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Dent, do you wish to respond?

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, I think the Member may have misheard me. I was not apologizing for not communicating on this program. I think I communicated fairly well on it. What happened was a misunderstanding about the communications between the Seniors' Society and departmental staff going up to October 1995 which is before the time I

Page 941

was appointed Minister of this Department, Mr. Chairman. I would like to point out that I think I communicated very well. As I understand our process, each Minister is supposed to take to their envelope committee their budget and to discuss it in detail with them. I did that.

As I said, I do not think any of the budgets, when presented on the floor of the House, had every single reduction initiative highlighted. They could not if we were to get through the budget in the time that we had to get through the budget.

One of the ways this House works is that the committees of the House are delegated to take on some of the detailed work. It is not possible for every

Member to get into. The way this has proceeded was done, since I have become Minister, basically as I understand the process is supposed to work. I was not apologizing for a lack of communication. What I did do was apologize to the Seniors' Society because there seemed to have been some miscommunication between my departmental staff and the Seniors' Society. Three of the meetings I am talking about happened before I became Minister, but I still apologized for it and said that it will not happen again.

I would also like to point out that none of the instances that the Member has referred to -- reallocations among budgets -- the Member has not referred to reallocations that happened between the Department of Transportation and the Department of Education, Culture and Employment. None of the funds from my Department went to one of those other Departments to assist with any reallocations. I am not sure, when the Member says it should be easy to find the money, that he recognizes that the money does not move outside my Department. Yes, money has moved around within the Department, but we take the capital funds in the same general area. I do not know that it is as easy as some would present to find that \$200,000. I certainly have not found it easy. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. General comments. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. I am going to make it easy to find the \$200,000. Mr. Chairman, programs like this that are being cut and the effect that they are having on our seniors and Northerners in most need; if their hands are that tied and money is absolutely not available, then, once again, I think it is time to have a look at reforming the Deficit Elimination Act.

The Premier has stated that we are going to stay the course we are on because that is the plan that we put in place. I will just say that they stayed the course in Waco and we all know what happened there. I think we have to have a serious look at the Deficit Elimination Act to try to free up some monies to look after programs like this that are affecting the less fortunate. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. O'Brien. Mr. Ootes, general comments.

**MR. OOTES:**

I have some questions, Mr. Chairman. It is in relationship to the correspondence we have received from the NWT Seniors' Society and the NWT Seniors' Advisory Council....

The Council has passed some resolutions. They raise some concerns about confusion in the program and I wonder if the Minister could commit to us to meet with both the Council and the Seniors' Society to address these particular concerns. I have concerns like the other Members that, you know, we are cutting money out of people who have contributed all their lives to our society and their society and now they have to basically pay a price for what they have done by not getting this program.

I wonder if the Minister could tell us if he will commit to sit down with both the Society and the Council so that they personally can address their concerns to the Minister on this.

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe the Honourable Member is offering you a solution within

Page 942

... (inaudible). Mr. Minister.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. Mr. Chairman, when I recently met with representatives of the Seniors' Society, I at that time told them I would be happy to meet with them as soon as they had had a chance to review the information that they had asked my Department to forward to them. Obviously I am prepared to meet with them and the Council. Again, I do not have any problem. I would be happy to make that commitment to meet with them as well.

**CHAIRMAN (Mr. Ningark):**

Thank you. I need directions. We seem to be going around getting the same answers and coming up with the same questions. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I think -- the simple thing is -- the solution we require is more money. I am not talking about keeping people on Social Assistance. What I am talking about is training people to get off

Social Assistance. I am talking about keeping people healthy. I am talking about allowing seniors to live in dignity and independently.

The Education, Culture and Employment and Health and Social Services Departments -- if they wanted to do that they would require more money. We have all heard that the easy cuts have been made this year. We all know how hard that was. We have heard the harder cuts are coming this year. They will cause excruciating pain, as Mr. Todd told us. We have read that there is going to be a 25 percent reduction in adult education. We have heard that we have the worst rates of alcoholism yet we might have to close rehabilitation centres. We have heard-we know- we have the worst high school graduation rates in Canada and close to the highest student-teacher ratio to go with that. Do the two co-relate? And yet we have been cutting in Education. We also heard that we might have to close a hospital or two.

The simple fact is that we all agreed, the majority of Caucus agreed, that the Social Envelope percentage of the overall budget had to stay the same as the previous year. And some people advocated balancing the budget in one year. Now some of those very same people are saying you cannot cut seniors, you cannot cut foster children, you cannot cut organizations. Well you cannot have it both ways.

Where do you want the Social Envelope to cut? Where, if you are keeping it at the same percentage- they have to make cuts because of forced growth. So, if you do not want more cuts, harder cuts, this year, the people sitting on this side of the table who are saying not to make these cuts have to agree that the Social Envelope percentage of the overall budget has to, at least, remain the same or increase. And, we also have to indicate where the cuts are going to have to come from. Because we have to cut in the area of \$100,000,000 and I certainly agree elders have worked a long time. I am going to be an elder one day and I would like to have some programs available too. But they have to be fair.

I do not like to cut from seniors. I do not want to see it done. I would like to see the programs in place but I am also on the Social Committee and we need some direction, where is the extra money going to come from? Where are the other cuts going to take place?

Thank you.

**CHAIRMAN (Mr. Ningark):**



Thank you. Mr Ootes. A general comment.

**MR. OOTES:**

Thank you Mr. Chairman. I wonder if I could suggest that we leave this item on the order paper and carry on with the next item on the order paper?

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we have the blessing -- concurrence of this committee to move on to the item in the Order Paper? Mr. Ootes what item are you referring to please?

**MR. OOTES:**

I would like to suggest that the Committee of the Whole consider the report of the Auditor General to the Northwest Territories Legislative Assembly.

Page 943

**CHAIRMAN (Mr. Ningark):**

Thank you. In order for the first speaker to prepare to speak to the item, Committee Report 6-13 (3), we will take about a five or ten minute break. Thank you.

--- SHORT RECESS

**CHAIRMAN (Mr. Ningark):**

The Committee Report 6-13(3), Report on the Review of the Report of the Auditor General to the NWT Legislative Assembly for the Year Ended March 31, 1995. I believe Mr. Erasmus will have opening remarks. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. Our first area of concern was with regard to expenditures and budgeting. One concern in the Auditor General's Report was that many government programs had base deficiencies in their budgets, and needed regular supplementary appropriations. For these programs, not enough money was budgeted to cover their costs.

In his appearance before the committee, Mr. Voytilla first explained that changes introduced for the business plans and budgets this year should address these concerns. Departments have been instructed to draft their budgets assuming that they will not be able to get supplementary appropriations, except for emergencies.

The report also mentioned that supplementary reserves were often not large enough to cover the unpredictable events, such as bad forest fire seasons, that had arisen.

Many of the specific problems in this area related to the then-separate Departments of Health and Social Services. Mr. Ramsden responded to Members' questions on base deficiencies and budgeting problems in the Department of Health and Social Services. Over-expenditures in these areas are generally related. The difficulty is in projecting how much use our growing population makes of our health care system. Mr. Ramsden expressed optimism that the new business plan budget process would address many of these problems.

Future Liabilities, Pay Equity and Environmental Restoration

The report expressed concern that two large possible future liabilities -- the pay equity complaint by the UNW, and costs of environmental restoration at polluted sites, are not reflected on the government's books. If and when these costs ever have to be paid, they could seriously affect the government's financial position. Members worry that these issues could adversely affect planning for Division, as both the assets and the liabilities of the government must be divided between the two new territories in 1999.

Also, for a number of years now, there has been an outstanding complaint by the Union of Northern Workers regarding pay equity in the government. The UNW is seeking significant compensation for alleged inequity in pay between jobs primarily held by women, and jobs primarily held by men. If the UNW is successful in its complaint, the government could be faced with significant retroactive compensation payments, and possibly expensive changes to its pay scales.

The government had filed in federal court, seeking a judgement on the jurisdiction of the Canadian Human Rights Commission in the case. The court recently ruled that while the Commission did have jurisdiction, they had to reassess the latest findings due to a technicality. The government is appealing that decision.

In the meantime, as is noted in the 1993/94 report, the government has not recorded any amount for a liability on its books. Should an award of any amount ever be made in the UNW's favour, that amount will increase the government's deficit. Committee

members are very concerned that an amount for this potential liability has not been entered into the Public Accounts.

The Comptroller-General explained that the government is confident that they

Page 944

will win their appeal of a recent court decision on the pay equity complaint. And that they therefore do not need to enter a liability on the books. Committee Members, however, expressed strong concern on these issues, but were unable to get the Controller-General to indicate an amount of potential liability for the pay equity complaint.

Mr. Voytilla noted that some preliminary work on identifying sites and costs had been done, but that much more work lay ahead. This work involves not only identifying sites, but also identifying liability and jurisdiction. Some sites may be the responsibility of the federal government for cleanup, or perhaps even of the US Armed Forces for some wartime and DEW line sites. The Auditor General's staff also reminded Members that the accounting issue was only a part of the problem, and that health and public safety issues were critical in considering the whole problem of environmental cleanup.

Committee Members agreed that the issue of potential liabilities was a serious one, and worthy of more decision action from the Government.

Mr. Chairman, I move that the Standing Committee recommends that the government determine amounts to be entered into the Public Accounts reflecting the potential liabilities surrounding the pay equity complaint and environmental restoration costs, and that they do so before March 31, 1997.

**HON. DON MORIN:**

Thank you, Mr. Chairman. The Standing Committee recommends that the government determine amounts to be entered into Public Accounts reflecting the potential liabilities surrounding the pay equity complaint and environmental restoration costs, and that they do so before March 31, 1997.

In talking to the Minister Responsible, the Chairman of FMBS, just previously, he has major concerns with this motion. My understanding is that some of the issues that are addressed in this motion are before the courts right now. Also, the costs that occur to this motion would reflect badly on this government. Mr.

Chairman, I think with things being discussed or negotiated before the courts, we should not pre-empt what those courts would do. In general, Mr. Chairman, I guess the best person to talk to this would be the Minister of Finance. It would be better if he spoke to it than me. I was just trying to fill in a little time until he got here.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister of Finance, we are dealing with the recommendation from the Standing Committee on Government Operations. Mr. Todd.

**HON. JOHN TODD:**

Thank you Mr. Chairman. First of all, this issue is before the courts. The Committee was well aware it was before the courts. They spoke to Mr. Voytilla. He advised the Committee of that. The motion is inappropriate. I would be unable to enact it, until such time as the court comes down with its ruling. Members of the Committee, particularly those who have been advocates of this, and I know who they are, know full well, if they want to act in a responsible manner, then resolutions should come forward in a responsible manner. This recommendation simply cannot be put into force, because the issue is

Page 945

before the courts. The Committee was advised it was before the courts. The appeal is before the courts, and I have to say to the House, that I would be unable to meet the recommendation as being recommended by the Committee. Thank you.

**CHAIRMAN (Mr. Ningark):**

To the motion. Recommendation one as a motion. To the motion. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. The recommendation is not for this government to pay out that amount. This motion is simply to determine the amounts that we could potentially have to pay. The Auditor General certainly understands that one of these items is before the courts, and so does the Standing Committee on Government Operations. As I indicated previously, we do not believe that this stops this government from evaluating how much the cost could be, if we had to pay it.

But certainly, the other item is not in the courts. And the Auditor General has expressed serious concern as did several Members of the Committee, that there is no indication of how much it would cost to do environmental cleanups, and even who is responsible to pay for those. As has been indicated in the report, some of them could be United States army, and other people. So we have recommended, and we are now making a motion, that this government determine those amounts, and to reflect that the potential liabilities, and that they do so by March 31, 1997. Thank you.

**CHAIRMAN (Mr. Ningark):**

Mr. Minister. I have the Minister of Finance and Mr. Miltenberger. Mr. Todd.

**HON. JOHN TODD:**

The pay equity situation, Mr. Chairman, is in the courts, and the appeal is in the courts. The position of this government is not to support the motion. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Erasmus.

**MR. ERASMUS:**

I am sorry. Did the Minister make a statement? Nobody here could hear it.

**CHAIRMAN (Mr. Ningark):**

The Minister has indicated that the issue at hand is in the court, and he is not going to support the motion that is what I think. To the motion. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. One of the concerns resulting in this motion was the whole issue as we push towards division and dividing up assets and liabilities. It is going to be those kinds of potential liabilities that we have to nail down. We have to start planning for. I do not think it would serve anybody well to have that day come when we are trying to do this and find out that we have missed \$50,000,000, \$90,000,000, \$100,000,000 in potential liabilities because we did not at least put a figure down on paper. What we are going to start budgeting for and when we are doing this very key exercise of division of assets and liabilities we must be able to factor that in. I would think very clearly that both jurisdictions are

going to want to have a sense of what that figure may be.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Mr. Chairman. I have not yet discussed the matter and we should just bring it to a vote. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I am informed by the Clerk that, as the honourable Member for Finance has indicated, the issue is before the Court and the Minister has no knowledge of the exact amount. That has to be disclosed. So we have to be very cautious of what we say during the discussion of this particular item. General comments. Mr. Minister.

**HON. JOHN TODD:**

Yes, it has just been pointed out to me by some of the Members that perhaps, Mr. Chairman, given that some thoughts of this motion and this preamble are before the courts, so we could get a ruling on the matter either today or tomorrow.

Page 946

**CHAIRMAN (Mr. Ningark):**

Thank you. Does the Committee wish to... yes Mr. Erasmus.

**MR. ERASMUS:**

Mr. Chairman. Perhaps it might be appropriate just to hold off on this particular motion.

**CHAIRMAN (Mr. Ningark):**

Thank you. The mover of the motion is indicating to the Committee that he has agreed to hold off on this particular motion until more information is received. Mr. Todd.

**HON. JOHN TODD:**

I would appreciate and I do appreciate the Chairman's comments of delaying this Motion until such time as I have had an opportunity to talk to him in the Committee. So I thank the Chairman for that and I will endeavour to do that later today or tomorrow before the House sits.

**CHAIRMAN (Mr. Ningark):**

Thank you. Given the mover of the Motion has indicated his position and the Minister, in this case, has indicated his agreement to agree on this? Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I move that the Standing Committee recommends that the Government apply to the Government of Canada to use the remaining funds in the Arctic Environmental Strategy to complete an initial inventory of sites requiring environmental restoration including possible clean up costs.

**CHAIRMAN (Mr. Ningark):**

Thank you. Recommendation to inform of a motion is an order to the motion?

Question has been called. All those in favour please signify in the usual manner. Down. Opposed. The Motion is carried. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I would now like to pass us on to the Deputy Chairman of the Committee. Mr. O'Brien.

**CHAIRMAN (Mr. Ningark):**

Thank you. The Honourable Member for Kivallivik, Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. The next issue to be discussed is entitled "Inadequate Reporting by Crown Corporations and Others".

This year's report noted that many public entities, including Arctic College, N.W.T. Power Corporation, N.W.T. Housing Corporation, N.W.T. Development Corporation, N.W.T. Business Credit Corporation, Workers' Compensation Board, and the N.W.T. Liquor Commission, were not filing Corporate Plans and Annual Reports that met the requirements of the Financial Administration Act. Any reports for 1994/1995 were all submitted later than the time prescribed and Corporate Plans did not include the information required. Members were informed by the Auditor General's staff that the Federal F.A.A. requires special examinations of Federal Crown

Corporations and similar entities every five years. The Committees agreed that a similar position would be useful in the N.W.T. F.A.A.

The Members' concerns were centred around the need to better monitor and evaluate the performance of Crown Corporations and other agencies, especially since many of our Crown Corporations carry out policy initiatives that would usually be done by Departments in other jurisdictions.

**RECOMMENDATION # 3**

The Standing Committee recommends that the Financial Administration Act be amended to provide for regular examinations of Crown Corporations and other entities of the government similar to the provisions in Part X of the Financial Administration Act.

**RECOMMENDATION # 4:**

The Standing Committee recommends that the Government amend relevant legislation, regulations and/or policies to provide that.....

**CHAIRMAN (Mr. Ningark):**

Mr. O'Brien. I believe that you wanted to move Recommendation 3 in the form of a motion. Are you making a motion? Would you please state that "I move" and then carry on. Recommendation 3.

Page 947

**MR. O'BRIEN:**

Thank you Mr. Chairman. I move that Recommendation # 3 be moved as a motion.

**CHAIRMAN (Mr. Ningark):**

You have to read it -- "I move the Standing Committee", and so on. Mr. O'Brien.

**MR. O'BRIEN:**

I move that the Standing Committee recommends that the Financial Administration Act be amended to provide for regular examinations of Crown Corporations and other entities of the Government similar to the provisions of Part X of the Financial Administration Act.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. O'Brien. The motion is in order to the motion. Mr. Ootes.

**MR. OOTES:**

Yes, I have a question on this matter with respect to corporate plans. I note in the Auditor General's report that some \$531,000,000 has been spent over the last five years through Arctic College, the Housing Corporation, the N.W.T. Development Corporation and the Business Credit Corporation.

What concerns me, Mr. Chairman, is that these corporations have not filed business plans -- apparently never have prepared them. I am wondering if I could get a question answered on that. Are these corporations now preparing business plans for consideration by standing committees? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Ootes. Mr. Todd

**HON. JOHN TODD:**

Is the question in relation to the annual report or is the question in relationship to future business plans?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes, would you clarify the question for the Minister please.

**MR. OOTES:**

Yes, I will. Thank you, Mr. Chairman. My question pertains to future business plans similar to the business plans that are proposed for our Departments and my understanding is that these particular corporations have never presented business plans and I want to know if this year they will start presenting business plans, considering the fact that they have spent a half billion dollars over the last five years and we need to know what it is they are going and where they are going. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

Thank you. You know they did not spend it without legislative approval. I say that with all due respect to my colleague. Secondly, yes they will be developing

business plans and corporate plans similar to what other agencies have done on a regular basis, yes.

**CHAIRMAN (Mr. Ningark):**

To the motion. Mr. Ootes.

**MR. OOTES:**

Does that not mean that the amendment to provide for regular examinations of Crown Corporations and other entities of Government similar to the provisions of Part X of the Financial Administration Act? Is that included in the Financial Administration Act, that business plans must be presented?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

Corporate plans are always presented, Mr. Chairman, and we table the WCB Annual Report every year. Other Members and Ministers responsible table that on a yearly basis, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Mr. Ootes.

**MR. OOTES:**

I appreciate that reports are tabled and I am not speaking about annual reports because that is after the fact. I am speaking here about business plans in advance. Like I want to see a business plan for the Business Credit Corporation, I want to see a business plan for the N.W.T. Development Corporation, etc. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have just reviewed the mid-year business plan of the government. Mr. Todd.

Page 948

**HON. JOHN TODD:**

We present the case when you present the budget in the business plans in these entities. I am not quite sure where the Member is coming from. I mean, when the old Department of Economic Development and Tourism presents its budget or presents the business plan for the N.W.T. Development Corporation; when the Department of Education presents the business

plan for education, its business planner presents the business plan for Arctic College, etc. So yes, the answer is yes.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. I hear a question. Others in favour of the motion please signify. Thank you. Down. Opposed. Motion is carried. Mr. O'Brien, please carry on.

**MR. O'BRIEN:**

Thank you, Mr. Chairman.

RECOMMENDATION # 4

I move that the Standing Committee recommends that the Government amend relevant legislation, regulations and/or policies, to provide that Crown Corporations and other entities of the Government,

Page 949

which do not meet the requirements of the Financial Administration Act regarding corporate plans and annual reports, have their budgets withheld until such time as these requirements of the Act are met.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Mr. Todd.

**HON. JOHN TODD:**

Yes, I wonder if Mr. O'Brien could clarify for me what is the intent of this recommendation? The way I read it is that if a Crown corporation failed to file its annual report in a timely fashion they would not receive funding from the G.N.W.T. Is that correct?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. O'Brien.

**MR. O'BRIEN:**

I would say, Mr. Chairman, judging from what is on the paper here that is the intent of the motion.

**CHAIRMAN (Mr. Ningark):**

Thank you. Minister of Finance, Mr. Todd.

**HON. JOHN TODD:**

Okay. If so, Mr. Chairman, then could my honourable colleague please explain to me what could happen in the case of the N.W.T. Development Corporation or Arctic College if they could not, for no matter how legitimate a reason, file an annual report on time. Would the government withdraw its financial support? Issue lay-off notices to hundreds of people who are employed by the subsidiaries of Arctic College? Is that the intent of this motion?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr O'Brien.

**MR. O'BRIEN:**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Is that the intent of this motion? We are talking Housing Corporation, Arctic College, N.W.T. Development Corporation, etc. I mean, I need to get some clarification here in terms of what the intent of this motion is. I would like to ask Mr. O'Brien since he brought the motion forward. Thank you.

**CHAIRMAN (Mr. Ningark):**

... (Inaudible) ... Thank you. Mr. Picco or Mr. O'Brien. Mr. O'Brien. Mr. Picco. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. My understanding of the intent of this motion was to try to rectify a problem of chronic tardiness. If any kind of submission at all and some of these Crown Corporations that can quite quickly and literally spend bags full of taxpayers money. Apparently, they are very lackadaisical when it comes to providing appropriate reports and follow-up in order to justify or learn how they are going to spend that money. I believe that the intent is to try give these organizations the proper amount of incentive to meet some of the requirements for funding.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

It does not say that. It says Crown Corporations and other entities of the government. And it clearly says that it "have their budgets withheld". Is that what this

Committee and these Members want us to do? To withhold money should the report, some report, not come forward on an annual basis in a timely manner? My point is here is that this is not workable. That is the point I am trying to make here. I understand the intent as Mr. Miltenberger explained and I appreciate that, but that is not what the motion says.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the principle of the motion. I have Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman Mike's response to the intent of the motion is correct. But I think, Mr. Todd, that the situation here is that over the past "x" number of days in the Annual Financial Administration Act, we did note that 280 days, 180 days was elapsing, and these annual reports were not being submitted. Maybe this would prod them into doing, getting their annual reports out on time.

I think that Mr. Todd and the rest of the Assembly realizes that in certain instances, because the Corporation Head Office burned down or something, and you could not get your annual report done, I am sure we could make an exception. I do not think that takes away from the intent of the recommendation. I think the Honourable Minister is baiting a red herring there.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have Mr. Erasmus, Mrs. Groenewegen to the principle of the motion. Mr. Erasmus.

**MR. ERASMUS:**

Mr. Chairman. I think Mr. Todd wanted to respond.

**CHAIRMAN (Mr. Ningark):**

Thank you for your understanding. Mr. Todd.

**HON. JOHN TODD:**

Thank you, Mr. Erasmus. I appreciate that. The point I am trying to make is, first of all it is not a red herring. If we are going to have a professional debate here on an important issue of this nature then that is how we should deal with it. I am saying to you this motion clearly says if I was going to accept - I would like to think that we would try to accept as many recommendations as we can from the honourable

Members - that means I effectively have to withdraw the funds. So there may be a requirement from the further modification to this motion to give the kind of flexibility that has been said by Mr. Miltenberger and others. That is all. You do not let the government run. If not effectively, it means...have their budgets withheld until such time as the requirements of the Act are met. It is not unusual for an agency to seek from the Finance Minister some dispensation for additional days because he does not have his report together. Some Members of this committee are fully aware of that. That is the only point I want to make for public record. If I could get some response to that, I would appreciate it. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have Mr. Erasmus, Mrs. Groenewegen, Mr. Ootes and Mr. Picco. Mr. Picco, would you like to respond to the Minister? Mr. Picco.

**MR. PICCO:**

Yes, thank you, Mr. Chairman. Mr. Chairman, any motion that comes forward in this House, I know the Members, including myself, take it seriously. The dispensation that Mr. Todd talks about is correct. Maybe Mr. Todd would like to give us an idea of what modification he envisions. I think the intent of the recommendation is fine because I note, when we did the public review from the public auditor's report from the public accounts, that indeed in four instances, I think, the different Crown Corporations and public offices of the Northwest Territories Government did not even request an extension of time after the 280 day period. I think the point of the recommendation was to bring that forward. As Mr. Miltenberger rightfully said, trying to put in place something to control the tardiness of the reporting structure that is actually in place at the present time.

Page 950

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Erasmus, Mrs. Groenewegen, Mr. Ootes. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. As has been indicated, some of these corporations had not submitted their reports for a great length of time after the time that had been indicated. It seems to me it is pretty simple to write a report. On the other hand, maybe the Minister is indicating that those guys are not

competent enough to write the reports at the same time as running their organizations. Maybe they should start writing the reports a little bit sooner instead of waiting for the cut-off date and then starting to write their report because that is what seems to be happening. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have Madam Groenewegen.

**MRS. GROENEWEGEN:**

Thank you, Mr. Chairman. Maybe the recommendation needs to be amended to punish the correct parties. If you look at taking away funding from people like the NWT Housing Corporation or Aurora College, who are you penalizing? You are penalizing the people who are the recipients of those services. In fact, the people that need to be held accountable are the internal auditors and the administrators of those various agencies. I could not support pulling the funding from these. That is not going to target the people that you are after. The people you are after are the ones who are in charge and responsible for audit and administration functions.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mrs. Groenewegen. Are you making an amendment to the motion?

**MRS. GROENEWEGEN:**

I would suggest -- how could reword this? The Standing Committee recommends that the government amend relevant legislation ... have their budgets withheld. I would suggest not have their budgets withheld. I would suggest have their administrators fired if they do not get their reports in on time. No.

--Laughter

--Applause

Whatever, you know. How are you going to hold them accountable?

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe Mrs. Groenewegen, at this time, is not making an amendment to the motion so I will recognize Mr. Todd.

**HON. JOHN TODD:**

Well, we have a responsibility to act in a professional and timely way. So does the Committee in terms of its motions. I am suggesting to you that this motion does not reflect that, rightly or wrongly. Everybody recognizes that, myself included. There are some weaknesses in the system and we need to tighten them up. If we get a recommendation to that effect, that is fine. But that is not what this motion says. This motion says, if I was to enact it, given I am trying to incorporate as many recommendations by the Honourable Members as possible, the budgets would be withheld.

What I would like to ask consideration of the Committee for is that we take some time to think this one through and the implications of it. And that we word it in such a way that it does answer the issue which you want to answered. And that is, a timely delivery of the annual reports and budgets or what is it, et cetera, the corporate plans. You cannot, first of all, chastise the staff. The responsibility lies with the Minister. I have no problem taking that responsibility. But I will not take the responsibility, and if Mr. Picco wants to or some other Members want to do it, withholding budgets; that is not a responsible motion. That is an irresponsible motion. That is the whole point I am trying to make here. I know what the intent is, but I am saying to you that we are overcompensating here for the intent. If you want to change the intent, I will accept that and maybe we can withdraw this motion and look at it again. I am not about to suggest to anybody in the government that we would withhold funds if it meant we

Page 951

would have to stop Arctic College because that would obviously be the first one we would have to look at, particularly in Iqaluit. We are looking to saving all kinds of money so we would, no problem.

On a serious note, I would ask that the Committee give due consideration to the fund component of it and try to rework it. That is all I would ask. Nothing else. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I want to follow this where Members want to speak, and Mr. Ootes has been patiently waiting. Mr. Erasmus is also a chairperson of the Standing Committee on Government Operations who has made the recommendation. Perhaps, Mr. Erasmus, do you wish to respond to the Minister?



**MR. ERASMUS:**

Yes, thank you, Mr. Chairman. Perhaps we should just withhold the paycheques of the appropriate Minister...

---Laughter

and the chairmen of the Crown corporations and the people who are responsible for putting out the reports. Maybe that would speed things up instead of penalizing the clients. Thank you.

**CHAIRMAN (Mr. Ningark):**

I guess the point is that we wanted to maintain the government operations without disruption within the system. I have Mr. Ootes, Mr. Picco and Mr. O'Brien. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. This motion does refer to the item I was referring to earlier. That was, corporate plans in addition to the annual reports. So far, to that point, I am in total agreement. There seems to be some concern about the rest of the wording of the motion, but my question would go back to the point that it meets the requirements of the Financial Administration Act. All departments are under that obligation. The whole government is under that whole obligation. I guess what I am concerned about is, under what circumstance do we not meet the Financial Administration Act? What conditions could possibly happen there?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Mr. Chairman, that is a generic question for all in a generic way. There are all kinds of reasons why people would not get their statements forward in time or their corporate plans in time. That happens all the time. Government is in emergency, people get sick, et cetera. I would like to suggest, if I may, that I have no problem with this recommendation if we could ... Well, the Standing Committee recommends the government amend relative legislation, regulations and/or policies to better ensure that the crown corporations and other entities meet the requirements of the Financial Administration Act regarding corporate plans, and annual reports and if we can delete, and if I can ask for your cooperation, have

their budgets withheld until such time as the requirements have been met.

Page 952

**AN HON. MEMBER:**

Agreed

**HON. JOHN TODD:**

Everybody recognizes what the concern is out there and we need to try to move more aggressively in trying to get these corporate plans and entities forward. I am just saying you cannot. Why is it so quiet in here?

**AN HON. MEMBER:**

The air conditioner is off.

**HON. JOHN TODD:**

Well, we will have no problem hearing Mr. Picco. Anyway, I guess that would be solved there. I do not think this is workable. Let us put it that way. That is the point I was trying to make. Sometimes it falls on deaf ears, especially some deafer than others. If we could get that, then that would make it a little easier. One to meet the desire of the committee and, frankly, the desire of the FMB and the Cabinet. We are in sync here. It is just this "have their budget withheld until such time as requirements of the Financial Administration Act have been met".

May I suggest for your consideration gentlemen and ladies:

"The Standing Committee recommends the government amend the relevant legislation, regulations and/or policies to better ensure that current corporations or other entities meet the requirements of the Financial Administration Act regarding corporate plans and annual reports."

I do not know if that is an appropriate solution. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Did someone grab a pin? I thought I heard a pin dropping. I have Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Ningark. Mr. Todd, would you agree to a modification of the motion based on the amendment

as such so that the reports came in at a timely manner. As you know, we agree with what you are saying. We are trying to put a motion on the floor here that will not only service the Legislative Assembly, but service the entities as well, and the Ministers that are responsible for said entities. That is what we are about to do.

Would you agree to a modification or an amendment to the legislation, to the Financial Administration Act, to allow for the timely submission of said reports?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Mr. Chairman, my preference would be that both ... (inaudible) ...

**CHAIRMAN (Mr. Ningark):**

Mr. Picco, I am sorry I cut you off.

**MR. PICCO:**

I would be willing to move a motion to that effect if that would be in agreement with ... I have been ruled out of order by my Chair, so I will defer to the Chair. It is close to six o'clock now.

**CHAIRMAN (Mr. Ningark):**

Thank you. I would like to ask Mr. Hamilton to help me out here. What can we do from here?

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

Procedurally, Mr. Chairman, if you are to amend this motion, the committee of the whole will require the motion in writing, and translated, before it can be entertained by the Chair. Thank you.

**CHAIRMAN (Mr. Ningark):**

At this time, I would like to recognize Mr. Ootes.

**MR. OOTES:**

Mr. Chairman, I would like to recommend that we report progress.

**CHAIRMAN (Mr. Ningark):**

You move that we report progress, Mr. Ootes?

**MR. OOTES:**

Right.

**CHAIRMAN (Mr. Ningark):**

Thank you. There is a motion on the floor to report progress, and the motion is not, I repeat, not debatable. We have been debating a lot today. All those in favour of the motion, please signify. Opposed. The motion is carried. I will rise and report progress to the Speaker. Thank you.

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

We are on Item 20, report of committee of the whole. Mr. Ningark.

ITEM 20: REPORT OF THE COMMITTEE OF THE WHOLE

**MR. NINGARK:**

Thank you, Mr. Speaker. Your Committee has been considering Ministers' Statement 86-13(3), and Committee Report 6-13(3), and would like to report progress with two motions being adopted. And Mr. Speaker, I move that the report of the committee of the whole be concurred with.

**MR. SPEAKER:**

Thank you. Seconded by Mr. Arlooktoo. The motion is in order. All those in favour, all those opposed. The motion is carried.

ITEM 21: THIRD READING OF BILLS

Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

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

...9:00 a.m. of the Ordinary Members Caucus, at 10:00 a.m. of the Standing

Page 953

Committees on Resource Management and Infrastructure, and at 11:00 a.m. with the Standing Committee on Social Programs.

Orders of the day for Tuesday, October the 8th, 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
17. First Reading of Bills
  - Bill 16,
18. Second Reading of Bills
  - Bills 18, and 19
19. Consideration in Committee of the Whole of Bills and Other Matters
  - Tabled Document 1, Ministers' Statement 82 and 86
  - Committee Report 6
  - Bill 17
20. Report of Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

**MR. SPEAKER:**

Thank you, Mr. Clerk. This House stands adjourned until Tuesday, October the 8th, 1996 at 1:30 p.m.