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The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

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

ITEM 1: PRAYER

Oh, God, may your spirit and guidance be in us as we work for the benefit of all our people, for peace and justice in our land and for constant recognition of the dignity and aspirations of those whom we serve. Amen.

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Evaloarjuk. Good afternoon. Orders of the day. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Enuaraq.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Inuit Hunting Methods

MR. ENUARAQ:

(Translation) Thank you, Mr. Speaker. Good afternoon, Members. I would like to talk about being a hunter, about hunting and how to treat animals. I would like people to know in the early 60s I lived in an outpost camp and I am happy that I am an Inuk to this day. I am trying to say that when we lived in an outpost camp and if there was no game, we could not survive. My father and mother used to tell us that we have to respect the game and take good care of the game whether it is caribou, or seal, or any kind of animal. If I killed an animal, I would be very happy and I would make sure that the animal is killed before I start skinning this animal. Before I came to Yellowknife, I would go out hunting on the weekends for my family and relatives. When I went hunting and caught an animal, we would say a prayer to give thanks. Mr. Speaker, I would like to tell the people that we have to respect animals that we kill. We have seen footage on animals being slaughtered. I would like people to know that this is not our practice. Thank you, Mr. Speaker. (Translation ends)

MR. SPEAKER:

Mahsi, Mr. Barnabas. Members' statements. Mr. Barnabas.

Member's Statement On Traditional Seal Hunt

MR. BARNABAS:

(Translation) I will be speaking in Inuktitut as well. Yesterday, on the national television news, I was shocked to see the slaughter of seals, and how they slaughtered the seals for the skins. Let me go back to the history of my ancestors. They had to hunt to survive and use the skins for clothing. They never skinned a live seal, even if they were really hungry. From our ancestors and elders we have been taught when we injure an animal, we have to do our best to kill the animal so that it does not suffer because they respected what the seal could give them and because the seal was their main diet. Today, the seal is still an important part of our diet. Mr. Speaker, I do not know of any hunter who would skin a live seal. Our main purpose to hunt seals now is for the food. We do not only hunt for the skins. Mr. Speaker, there are very few jobs in my constituency. Some hunters could hunt just for skins, but they do not do this. They know how many seals their families can eat and even though they could make more money from the skins, they just kill enough for their families. Often they give to the elders of the communities and people with dog teams. If they do kill too many seals to eat, they ... (Translation ends)

MR. SPEAKER:

The Member for the High Arctic is seeking unanimous consent to conclude his statement. Do we have any nays? There are no nays. Mr. Barnabas, you have unanimous consent.

MR. BARNABAS:

(Translation) Thank you, Mr. Speaker and Members for giving me consent. In the spring and summer, when they kill too many seals they cache the meat to use later when seals are hard to find. Mr. Speaker, I want people to know that we do not kill seals just for their skins. The animals we hunt have been a very important part of our lives and we respect them. Thank you, Mr. Speaker. (Translation ends)

-- Applause

MR. SPEAKER:

Thank you, Mr. Barnabas. Again, to correct before I recognized Mr. Barnabas, I also thanked him. I wanted to thank Mr. Enuaraq and recognize Mr. Barnabas. Members' statements. Ms. Thompson.

Member's Statement On Television Item on the Maritime Seal Harvest

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Mr. Speaker, I was very disturbed by what I saw on the National News last night. There was film footage of men torturing seals before they died. Mr. Speaker, I was disturbed for two reasons. The first being that no animal should be mistreated like this. The second is that in my culture the seal is very important. Our elders would be horrified if they saw a hunter mistreat a seal or any animal, for that matter. Mr. Speaker, my father spoke to me this morning about this news item. He was also upset at what he saw. My father is a well known and respected seal hunter. His skills are very well known in the Keewatin Region. He has many years of experience in teaching hunting skills on the land and in the school. Just as he learned from his grandfather, Agotemmariq, about hunting and the respect that they should show the animals they kill, he has taken this knowledge and shared it with the youth. It is taboo in our traditional laws to torture or abuse any living thing from an insect to a polar bear or whale. Elders tell these stories to the younger generations so that they will grow up

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-- Applause

MR. SPEAKER:

Thank you, Ms. Thompson. Members' statements. Mr. Rabesca.

Member's Statement On North Slave Economic Development

MR. RABESCA:

Thank you, Mr. Speaker. Today, I rise to tell this House how my region has looked to the future of economic development. Back in 1980, Charlie Charlo's dream for having our people trained and employed started to become a reality with the construction of the Nishi Khon Complex. This building is owned by the Rae-Edzo Dene Band Development Corporation which is the first ever in the history of the

N.W.T. to become a publicly owned aboriginal company.

At about the same time the Nishi Khon Forest Service was established, which has over the years trained and employed many residents of the North Slave region and is owned by the residents of the region, this company started out to be just the seasonal forest fire response team on contract with our government. It has over the years expanded to include N. K. Freeway, the highway maintenance company; PCL/NK, our regional construction company; and NK/Canadian, the helicopter company to provide forest fire response, as well as a number of other businesses that operate within the region and provide training and employment for our people.

The Rae-Edzo Dene Band Development Corporation has expanded from its original beginnings by acquiring partial ownership in Bellanca Developments in Yellowknife, Polar Vision in various communities throughout the north, and by building and leasing space to the government and a variety of other tenants in Rae-Edzo.

Through the years the band councils have established a variety of businesses with each community. All communities within my region now have development corporations that negotiate construction contracts with this government for housing and capital projects that affect each community and employ and train all local people.

The Rae Dogrib Band has purchased a motel in Rae and operates it using all locally trained staff. They also own a large percentage of Northern Distributors Shell bulk oil plant here in Yellowknife, with the hopes of utilizing local trained truck drivers to provide fuel hauls on the winter roads and highways. The Band also has a construction company that takes care of all housing requirements within Rae-Edzo.

Snare Lake, being the smallest community, is not being left behind. Over the last few years they have expanded operations to include a hotel facility in the community. Mr. Speaker, may I have unanimous consent to conclude my statement, please?

MR. SPEAKER:

The Member for North Slave is seeking unanimous consent to conclude his statement. Do we have any nays? There are no nays. Mr. Rabesca, you have unanimous consent.

MR. RABESCA:

A hotel facility in the community, a 50 person construction camp, a general store, a construction and maintenance operation, and are dealing with other exciting projects.

Rae Lakes has also worked hard to provide employment and training to their residents. Over the years the Band Council has acquired a fishing lodge, a motel facility in the community, and has also negotiated for and built all housing and capital projects for the community.

Wha Ti is also providing employment and training for its residents. They operate a fishing lodge and motel, as well as negotiate all construction projects that take place within their community. All using local employment and services wherever possible.

Mr. Speaker, my region has come a long way from the early 1980s, and we feel we are headed in the right direction. We are trying to provide all our people with opportunities that will benefit them and their families for years to come. There is, of course, a long way to go to fully realize the potential of employment and business opportunities within my region, but we feel we do have a good head start. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER:

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

Member's Statement On Appreciation to Elizabeth Tumblin's School Class

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, as an elected official we have an opportunity to see the good, the bad, and the sometimes ludicrous in public life. Every statement, question, or action becomes scrutinized, criticized, and sometimes, on those rare occasions, applauded. However, my fondest moments to date as an elected official have been when asked to speak at schools or to interact with constituents outside the rhetoric of political life.

This past November, I was invited to speak at Elizabeth Tumblin's class at Nakashuk Elementary School in Iqaluit. Today, when I opened my mail with the usual complaints, issues, and of course bills, it

was to great delight that I received letters from Mrs. Tumblin's students in their own handwriting, thanking me for speaking to the class. The

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students also included their hand drawn pictures of me, and I might add that they give competition in their artistic ability with our own resident artist, Mr. Barnabas.

Mr. Speaker, needless to say that it made my day. The students were doing a project on government and Nunavut, and I was quite impressed with the quality of questions asked by the students. Mr. Speaker, I would like to take this opportunity to thank all the students of Elizabeth Tumblin's' class for writing me and I look forward to visiting the other schools in Iqaluit when I return home in March. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER:

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

Member's Statement On Fort McPherson School Fire

MR. KRUTKO:

Thank you, Mr. Speaker. Yesterday we heard about the second school fire in Fort McPherson in just over a year. Like the other people in my community, I was hoping that it was a mechanical problem that caused the fire. It was really upsetting to learn today that the RCMP think that it is another case of arson.

Mr. Speaker, the community of Fort McPherson is hurting from these losses. The first fire, where we lost our school, was bad enough. It is worse because everyone in the community saw the difficulties last year. If someone actually set this fire, they did it knowing how much it would hurt the people of Fort McPherson.

Mr. Speaker, the community of Fort McPherson wants to deal with this problem. The arson at the school is only one sign of the problems of the youth. There are some children who are, in the words of the Mayor, unruly, incompetent, and mischievous. They believe that they are untouchable and in some ways they are. The current Young Offenders Act does not apply to them as they are too young. They know that even though, as they get older, the Young Offenders Act is

usually not more than a slap on the wrist. Fort McPherson is asking for help dealing with this problem. We have to find who is responsible for this, whatever it takes. We have to find a way to deal with the youth who are on the wrong path of life.

Mr. Speaker, we would like to ask the Minister of Health and Social Services, along with the Minister of Justice, to support the community by sending a team of professional investigators to help us resolve this problem. We need to develop a plan for working with the youth in addressing the social problems, which have brought... Mr. Speaker, I would like to seek unanimous consent to conclude my statement.

MR. SPEAKER:

The Member for Mackenzie Delta is seeking unanimous consent to conclude his statement. Do I have any nays? You have some nays. Agreed? Thank you. You have unanimous consent. Mr. Krutko.

MR. KRUTKO:

We need to develop a plan for working with the youth in addressing the social problems, which have been brought on by these mischievous actions which have taken place in the community of Fort McPherson and resolve once and for all, the individual or individuals who are responsible for this heinous crime. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER:

Thank you, Mr. Krutko. Members' statements. Mr. Arlooktoo.

Member's Statement On Television Item on the Maritime Seal Harvest

HON. GOO ARLOOKTOO:

Mr. Speaker, as others, I would also like to comment on the news story that was there last night on CBC TV, CNN, and other stations. Mr. Speaker, shown on this problem was footage of Newfoundland seal hunters displaying unacceptable behaviour on the treatment of seals that they were harvesting.

I was totally appalled by some of the scenes of cruelty, disrespect, and inhumane practices. I listened to the spokesperson for the sealers and I would agree with her that these were scenes of isolated, unique

individuals that do not represent normal hunting practices of the Maritime sealers.

What worries me, Mr. Speaker, and what will be the real tragedy, is the effect that has on the sealskin market that we have slowly been nurturing, ever since Green Peace and others killed the market for seal products that my people, the Inuit, rely on for a living. The market was killed then due to similar pictures being flashed around the world of these same Maritime hunters killing seal pups.

Mr. Speaker, as others have said, it is Inuit tradition to treat all animals with respect, even those that we are harvesting.

In closing, Mr. Speaker, I would join others in saying shame to the animal rights activists that will exploit these pictures for fund-raising and fighting our seal harvesting around the world, and shame to the those Newfoundland hunters who practice this unacceptable behaviour. Thank you.

MR. SPEAKER:

Thank you, Members' statements. Mr. Todd.

Member's Statement On Pages Visiting from Rankin Inlet

HON. JOHN TODD:

Thank you, Mr. Speaker. I am very pleased to stand today to recognize three young ladies from Rankin Inlet, who will be serving the House this week as Pages. The three young ladies are Kelly Clark, a grade 8 student, Jody Roach, attending grade 8, and Tracey Roach, who is presently in grade 7. Kelly is the daughter of Donald and Simone Clark, who are very active in the educational community in Rankin. Tracey and Jody are the daughters of Ron and Goretti Roach, who are equally active in the community of Rankin Inlet, and I am very pleased, today, to be able to sponsor their participation this week. I would ask all of you to join with me in welcoming them here to Yellowknife. Thank you.

-- Applause

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MR. SPEAKER: Thank you. Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Ms Thompson.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

HON. MANITOK THOMPSON:

Thank you. I know they are not in the gallery, but they are here. Jamie Kataluk from Coral Harbour, Sabina Paniyuk from Coral Harbour, Charlene Putulik, Repulse Bay, Daucie Autut from Chesterfield, the Pages that will be serving us today. Thank you.

-- Applause

MR. SPEAKER:

Thank you. Recognition of visitors in the gallery. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Speaker. I would like to recognize some members from my constituency team in the gallery. The Rae-Edzo Junior Boys Soccer Team will represent the Northwest Territories and Canada at the upcoming 1997 Soccer Youth Cultural Exchange in Germany, March 19th to April 2nd.

During these two weeks, the team will play three indoor soccer tournaments in Hamburg, Neubrandenburg and Berlin, and partake in the various cultural events with their German counterparts, who are expected to visit the Northwest Territories in October of this same year.

Soccer has become a winning tradition in Rae-Edzo. The Rae-Edzo Warriors have earned five consecutive NWT soccer championships, a berth into the Arctic Winter Games in Slave Lake, and two bronze medals at the North American Indigenous Games in Saskatchewan and Minnesota. These are the only two medals won in the history of the Northwest Territories in outdoor soccer at an international tournament.

These young Rae-Edzo Warriors have been practising four to five nights a week over the past two years. They will also represent the Northwest Territories at this summer's North American Indigenous Games in Victoria, British Columbia.

The Soccer Youth Cultural Exchange is also special, because it allows our youth to explore another part of the world and build new friendships. It is a time to learn more about the game they love and play so well together, and a time to enjoy a once-in-a-lifetime experience. These adventures help enrich our youth

with positive goals and dreams and broadens their knowledge and horizons.

The team representing the NWT and Canada are:

Angus Black, Clayton Lafferty, Lonnie Zoe, Leroy Koyina, Eric Apples, Jimmy Ekendia, Trevor Mantla, Jasper Lamouelle, Caleb Behrens, Gordon Delorme, Jason Green, Michael Botermans, their coach. Thank you, Mr. Speaker.

--- Applause

MR. SPEAKER:

Thank you, Mr. Rabesca. Again, just to remind the Members that under the rules of recognition of visitors in the gallery, you have 30 seconds to do it. I think the Member went over two minutes. Recognition of visitors in the gallery. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Speaker. I would like to recognize a very, very famous person in the gallery today, someone that everyone knows. He is CBC Northbeat news announcer, George Tuccaro, and he is also an all around good guy.

-- Applause

MR. SPEAKER:

Thank you. Recognition of visitors in the gallery. Item 6, oral questions. Mr. Ningark.

ITEM 6: ORAL QUESTIONS

Question 286-13(4): Polar Bear Survey Methods

MR. NINGARK:

Thank you, Mr. Speaker. Mr. Speaker, my question is directed to the Honourable Minister of Wildlife Management. A few days ago I received a call from Taloyoak from a gentleman, a member of Nunavut Wildlife Management Board.

Over the telephone conversation, he indicated to me, Mr. Speaker, that people of Nunavut are concerned about the way the survey is done for polar bears in that area. He also indicated, over the telephone, that when the survey is being done in the Nunavut area, the polar is drugged subsequent to putting on a radio collar and then released. Once the polar bear has been given a radio collar, then the satellite will track

the movements of the polar bear. Once the survey has been done and that particular animal is no longer needed, again the polar bear is drugged to remove the radio collar.

My question to the Honourable Minister is, does the Minister have any knowledge of alternative methods as opposed to the drug? Thank you.

MR. SPEAKER:

The Minister responsible for Resources, Wildlife, and Economic Development, Mr. Kakfwi.

Return To Question 286-13(4): Polar Bear Survey Methods

HON. STEPHEN KAKFWI:

Mr. Speaker, I understand the practice is considered acceptable and it is the only viable way of studying polar bears. They are certainly not like sheep. We cannot just walk up to them and pat them on the back and throw a collar around. All large mammals, that could inflict some damage to humans, are approached only after being drugged. There is a very rigorous procedure for this practice to be done and it is done world-wide, as far as I know. There is, at this time, no other viable way of doing the studies. Thank you.

MR. SPEAKER:

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

Supplementary To Question 286-13(4): Polar Bear Survey Methods

MR. NINGARK:

Thank you, Mr. Speaker. Supplementary to that same Honourable Minister. Mr. Speaker, there has been a

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number of occasions whereby the polar bear that has been drugged is known to have lost weight. They are in poor health. In some cases, the polar bear died. Does the Minister have any knowledge of any polar bear that has been drugged a number of times, and subsequently died in the end? Does the Minister have that information from the people of Nunavut? Thank you.

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 286-13(4): Polar Bear Survey Methods

HON. STEPHEN KAKFWI:

Mr. Speaker, I would be very interested to know of any fatalities as a result of these exercises and how many times they occur in the conduct of these studies. It is true that polar bears are on the list of threatened species, but we have agreed, through a co-management plan with the local hunters, trappers, the Inuit communities, their organizations and representatives, to come up with co-management plans. Plans on how to conduct the studies to manage the population, in order to allow for some harvesting and yet, come up with a plan to restore the population to a healthy level. There may be some ways to improve the way in which we conduct our work. Both the government and the union, I think would be interested in knowing if, in fact, our practices and the way we conduct ourselves in these joint efforts could be improved. So, I will ask my department and the Canadian Wildlife Service, if there is any information in regard to the incidents that the Member referred to and share that with you. Thank you.

MR. SPEAKER:

Oral questions. Mr. Erasmus.

Question 287-13(4): Crafts Produced by Inmates

MR. ERASMUS:

Thank you, Mr. Speaker. My question is for Mr. Ng. It is concerning the Department of Justice. I have had businessmen in Yellowknife calling about inmates selling crafts at the correctional centre in town here. They have pointed out that the inmates do not have to pay overhead while they are selling their crafts, while the businessmen in town that have businesses that sell crafts have overhead. They have stores, they have to pay their staff, all the rest of this kind of stuff. What I would like to know is whether this is actually happening or not, that the inmates are allowed to sell crafts at the YCC? Thank you.

MR. SPEAKER:

The Minister of Justice, Mr. Ng.

Return To Question 287-13(4): Crafts Produced by Inmates

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, yes, there is a carving program that operates at the Yellowknife Correctional Centre and the inmates do have the opportunity to sell some of their finished products through a display case at the correctional facility, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 287-13(4): Crafts
Produced by Inmates

MR. ERASMUS:

Thank you, Mr. Speaker. Do the inmates have to purchase their own materials for the crafts that they make?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 287-13(4): Crafts
Produced by Inmates

HON. KELVIN NG:

Thank you, Mr. Speaker. Yes, they pay for their own materials as well as the tools that they use for making the products, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 287-13(4): Crafts
Produced by Inmates

MR. ERASMUS:

Thank you, Mr. Speaker. Is it appropriate for the government to allow crafts to be sold in such a way when private enterprise is already providing this service and they have to pay for all their overhead? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 287-13(4): Crafts
Produced by Inmates

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, it is important to recognize that it is a part of the rehabilitative process, the programming for some of the inmates and the fact that it provides them with an opportunity to develop some skills that produce some income when they get out of the correctional centre. It provides them with an opportunity to generate some income while they are in there to send back to their families to look after some of their basic needs. Many of them, unfortunately, do not have the opportunity to have income support from their home families when they are in the correctional centre. In that respect, it is an important issue for the inmates. In addition to that, they do use some of the payments sometimes for some of their fines that they have incurred as part of the sentence that they received, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Final supplementary, Mr. Erasmus.

Supplementary To Question 287-13(4): Crafts
Produced by Inmates

MR. ERASMUS:

Thank you, Mr. Speaker. I am assuming that some people must go there exclusively to buy crafts. Has the Minister taken into consideration the liability that we would have to face if a customer was taken hostage while they were at the correctional centre? Thank you.

MR. SPEAKER:

Thank you. Mr. Ng.

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Further Return To Question 287-13(4): Crafts
Produced by Inmates

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, the display area is outside of the secure area so it is not within the confines of the secure area where the inmates reside or operate. In that respect, we do have adequate security and it is, as we all know, a

minimum security facility so it has not been a major factor in the assessment of operating that program, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Mr. Miltenberger.

Question 288-13(4): Education Council Budget Reductions

MR. MILTENBERGER:

Thank you, Mr. Speaker. My question is to the Minister of Education, Culture and Employment in regards to bussing and the bussing formula and cuts that have resulted because of that new formula. Specifically in the South Slave, they have experienced a 42.8 percent cut in this year's budget from last year. They lost almost \$180,000. The people of Yellowknife 1 and Yellowknife 2, between them, have had cuts totalling almost 45 percent of their budgets.

My question to the Minister is, because of these cuts, it has been very clearly indicated to me that the district education authority in Fort Smith, and probably in Hay River as well, is having a very difficult time coping with these cuts. Is the Minister aware of the impact of these cuts and is there any way that we can seek to ameliorate the impact of those cuts?

MR. SPEAKER:

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

Return To Question 288-13(4): Education Council Budget Reductions

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, this is a complicated one to explain. I will do my best to be concise. The department has worked with the education councils across the Northwest Territories to adjust the formulas for financing the work that the councils do. In the course of these adjustments, there were some redistributions so that what was attempted was to provide a more equitable form of financing. In some areas, like the South Slave, while the amounts that were contributed to the divisional education councils for bussing went down, in other areas, their funding went up. In dealing with some of the inequities across the Northwest Territories, there are often, within education councils, offsetting amounts.

Had there been no target reduction for the department, the changes in the formula would, in fact, have increased the amount of total funding that would have gone to the South Slave Divisional Education Council. So, what happened was, the formula was changed in order to provide more equity across the Northwest Territories. If we still had the same amount of money that we had in previous years, it actually would have meant an increase to the South Slave Divisional Education Council. They could have then used the monies any way they wanted. However, after doing all the formula changes, the amount of money, because of our target, was reduced. That meant that overall dollars that education councils received were reduced. They can look at those dollars as being all allocated to bussing or they can recognize there was a change in how the formula was calculated, which will probably be more accurate. They lost money in all areas. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Supplementary To Question 288-13(4): Education Council Budget Reductions

MR. MILTENBERGER:

Thank you, Mr. Speaker. That was a case of fiscal ledger domain if I ever saw one. I have seen the formula that the Minister is talking about and I am sure Einstein himself would be scratching his head trying to make sense of it. The Minister indicated, in his comments, that while this thing should have gone up, there was actually a cut but there were offsetting increases in other areas in the budget. Could the Minister specify some of the offsetting areas where there have been increases that would offset this \$187,000 cut that the DEA experienced in the South Slave? Thank you.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 288-13(4): Education Council Budget Reductions

HON. CHARLES DENT:

Mr. Speaker, there is no sleight of hand involved here. What happened was that the overall budget for schools was reduced by 5 or 6 percent. While the formula may have gone down for bussing, it may have

gone up for the South Slave region for special education. It may have gone up in the basic per capita student grant, however, after all of the formula adjustments were done, there was a five or six percent decrease applied to the total figure. Therefore everything in the budget was reduced. Thank you, Mr. Speaker.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Miltenberger.

Supplementary To Question 288-13(4): Education Council Budget Reductions

MR. MILTENBERGER:

Thank you, Mr. Speaker. Trying to follow that lucid response has left me somewhat dizzy. Mr. Speaker, there was a 42.8 percent cut to the bussing formula. The Minister is telling me that overall for the budget for the South Slave, there was only a five or six percent cut. I think is what he is telling me. The people in the South Slave indicate to me that has been an increase in student numbers and their costs are far exceeding the funding that has been specified for bussing, resulting in the possible application of prohibitive user fees or having to take money from other critical areas. So, can the Minister maybe clarify for me, the difference. Money is given for bussing. There has been a 43 percent cut. You are telling me that they are expected to find the money somewhere else in the budget? Thank you.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 288-13(4): Education Council Budget Reductions

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HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, it is up to each individual education council to determine how they spend their funds. They do not have to spend it according to the formula by which the funds are granted to them. They may find reasons for reallocation. So, yes, it is up to the education council to choose whether or not they wish to put the funds into student travel to southern locations or to put it into bussing as an example. I did not say that the South Slave Divisional Education Council took a five or six percent reduction. I said the funding in the

budget for schools that is available across the Northwest Territories was reduced by five or six percent in this current year as compared to last year. That translated, with some of the changes to the formula, to less than five or six percent for some education councils and more than five or six percent to others. I cannot say off of the top of my head where South Slave fits into that formula in this current year. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Oral questions. Final supplementary, Mr. Miltenberger.

Supplementary To Question 288-13(4): Education Council Budget Reductions

MR. MILTENBERGER:

Thank you, Mr. Speaker. Would the Minister provide that information once he finds out what the numbers are? You also indicated that there may have been increases in this area or there may have been increases in that area that would possibly offset a 43 percent cut to bussing, nothing specific. May does not pay bus drivers. So I was wondering if you could also specify what areas when you break out the numbers of the budget where those offsetting increases may be. Thank you.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 288-13(4): Education Council Budget Reductions

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, I believe that I can get that information for the Member fairly quickly. The cuts were explained to the divisional education councils and the authorities in Yellowknife. This exercise was gone through with them so that they saw that the formula adjustments would actually allow an increase in the total funding that they would have seen, except for the target adjustment at the end of the day. The formula adjustments that were made would have meant an increase had we had the forced growth that has historically gone into the department. Because there was no forced growth and there was, in fact, a reduction in the total funds that were available for schools, it meant the net funds that wound up going to all educational authorities were reduced over what the formula would have been. That

information has been provided to the education councils and I would be happy to provide it to the Member. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Oral questions. Mr. Krutko.

Question 289-13(4): Fort McPherson School Fire

MR. KRUTKO:

Thank you, Mr. Speaker. My question is to the Minister of Justice. It is in relation to the statement that I read in the House. It is in regards to the fire at Fort McPherson. The question is that the department can support the community by sending a team of professionals to try to resolve this heinous crime, and also to sit down with the community to find ways of dealing with the problem of the youth in the community. Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister of Justice. Mr. Ng.

Return To Question 289-13(4): Fort McPherson School Fire

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, yes, we would be willing to help. My issue would be that the need to address the issue would have to come from the community, the request for specifically for what type of support that they would want before we could entertain a proposal on what type of individuals to send in to assist the community, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 289-13(4): Fort McPherson School Fire

MR. KRUTKO:

Thank you, Mr. Speaker. The reason that I raised the question is because I have been asked on behalf of the community and the mayor to look into this issue. This is not something that has just occurred. We have had two fires in the last year relating to Chief Julius School which is a \$7 million loss, now, to the latest

fire which is in the \$300,000 or \$400,000 range. This is not the first fire that has occurred in the community. We have lost a hotel to fire. We have lost a curling rink to fire. We have lost a Catholic church to fire. These incidents have been going on for several years. So, I am asking the department if they can send an arson team in there. We should have professionals on staff either here in Yellowknife or bring them in from the south to resolve this outstanding problem. It is costing this government and the community millions of dollars. Yet, the crime has not been concluded. The culprit of the fire of the Chief Julius School has not been caught to date. Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 289-13(4): Fort McPherson School Fire

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, again I hear from the honourable Member that the community is concerned about the issue and we will lend any support to that possible. I think it has to be driven from the community that it is unacceptable for these types of situations that cause damage to the community. It impacts everybody in the community. I think that one of the first steps the community should undertake is to formulate a community group to raise their concerns in respect to this specific issue about capturing or charging or finding out the individuals that are involved. It is a serious matter. I do not know the specifics of what steps the investigation are at currently. But I will check into this matter because it is an important issue. Again, I would say that once

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something concrete was requested from the honourable Member, it would be something we could consider, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 289-13(4): Fort McPherson School Fire

MR. KRUTKO:

Thank you, Mr. Speaker. The reason I stand up in this House and ask questions is because of issues that affect my community. I do not know what it takes to get the attention of the government, but do you want somebody to die in a fire before it is acceptable to a community? I raised this question because my community is concerned about it. When you make the statement that you do not know if it is acceptable or not to the community is why I am standing here asking this question. I find it awfully offensive that the school burns down. It is not resolved. Now, another burns down. How many fires do you have before it is acceptable to this government to resolve the incidents that are occurring? So I am asking the Minister, again, will he make an attempt to send the resource people to Fort McPherson to try to resolve this issue?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 289-13(4): Fort McPherson School Fire

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, the point that I am trying to get to is the fact that even if we catch the culprits in this incident, it is a community problem in respect to whether or not it is acceptable by community standards to have individuals out there for whatever reasons getting into these kind of difficulties. The onus would be on the community to a large extent to monitor and to put into place programs that could minimize the possibilities of these types of situations happening. We would be supportive of those types of initiatives. I do not think that going in, unless it is just the one individual that is setting all these fires that the honourable Member is alluding to, helps. You still have to get to the root cause of the problem of why is this happening. Is it a copycat type of situation because somebody else has done it that other individuals are entertaining that idea and pursuing it? So, I would say that again, we are willing to assist the community in whatever way we can, but the onus is not and the difficulty is not going to end by the fact of locking up an individual or sending out one individual that might have perpetuated these crimes, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Final supplementary, Mr. Krutko.

Supplementary To Question 289-13(4): Fort McPherson School Fire

MR. KRUTKO:

Thank you, Mr. Speaker. In response to the Minister's statement, I am not too sure if he is saying that he is going help or that someone has to die in a fire before he does anything about. As Minister of Justice, I believe this is an issue which has legal ramifications in regards to arson. There is an offence and also in regards to destruction of property, especially in relation to a community's facility such as a school which is a critical structure to the community. This is the second time in over a year. Basically, nothing has been done in relation to the Department of Justice to put people forth to resolve it. We thought we had something to deal with our social problems.

MR. SPEAKER:

Mr. Krutko. Would you ask your question please. Supplementary.

MR. KRUTKO:

Thank you, Mr. Speaker. My question to the Minister is at what time does he intend to have someone go into the community to help assist in this problem?

MR. SPEAKER:

Thank you. Mr. Ng.

Further Return To Question 289-13(4): Fort McPherson School Fire

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I will talk to my departmental staff and assess the situation and meet with the honourable Member and try to come up with the remedy that would be satisfactory. Thank you.

MR. SPEAKER:

Oral questions. Before we go on, I know that all the statements that are made, questions, responses are recorded so we know what is being said. One of the things that is not recorded but still could be seen on TV are gestures by Members making gestures to other Members. So, we will ask the Members to be careful the way you conduct yourself on TV too because it will be seen by the public, especially if the camera is on the Member when he is asking a question and having a gesture with it. It will be seen

on TV, and if it is, we will be dealing with it. Oral questions. Mr. O'Brien.

Question 290-13(4): Definition of Community Empowerment

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Municipal and Community Affairs. Mr. Speaker, there is still some uncertainty regarding the community empowerment initiative. With that point and to further clarify the initiative I would ask the Minister if she would provide to this House the departmental definition of community empowerment. Thank you.

MR. SPEAKER:

The Minister of Municipal and Community Affairs. Ms. Thompson.

Return To Question 290-13(4): Definition of Community Empowerment

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Community empowerment is simply a community solving their own problems and local people taking care of each other. We know that the government made too many decisions about what is best for the people in the communities. Even though these decisions are well intentioned, the result is that the people do not have control over what happens in their communities. So, that is what community empowerment is about. It is about communities having control of, responsibility for and accountability for programs, services and infrastructure

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at the community level. Communities set their own priorities and make decisions about certain programs and services which affect them in order to meet their community needs. Locally people manage community affairs to reflect community needs and interests while the territorial government manages those area which affect the NWT as a whole.

MR. SPEAKER:

Oral questions. Supplementary, Mr. O'Brien.

Supplementary To Question 290-13(4): Definition of Community Empowerment

MR. O'BRIEN:

Thank you, Mr. Speaker. According to the Minister's definition, can the Minister advise this House as to how many communities have been successfully empowered as of today. Thank you.

MR. SPEAKER:

Thank you. Ms. Thompson.

Further Return To Question 290-13(4): Definition of Community Empowerment

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. If my budget is passed, there will be a lot more communities that will be successful in community empowerment. So, that is a message to the regular Members, but there has been a lot of successes in community empowerment already. Cape Dorset is one of the communities that has already experienced success in integrating public works, housing, economic development, social services, and government administration into community government operations resulting in more direct control over resources to address local priorities. In Igloodik, the community is increasing its control of social programs so that it is better able to promote community wellness. Keewatin communities are working on the transfer of airport programs in all the communities in the region so that transportation operations are part of community government operations. We have transferred GLOs, lottery licensing, and land management to the communities. There is also Fort Good Hope who has been looking at how social and infrastructure programs may be integrated so that they are better able to deal with community priorities. We have been working within our budget, but if my budget is passed after this budget session, then we will be able to do more with the communities. Thank you, Mr. Speaker.

MR. SPEAKER:

Oral questions. Supplementary, Mr. O'Brien.

Supplementary To Question 290-13(4): Definition of Community Empowerment

MR. O'BRIEN:

Thank you, Mr. Speaker. I realize that before we see further community empowerment we have to wait for the outcome of this budget. Could the Minister advise

this House as to roughly how many communities have been empowered as of this date? Thank you.

MR. SPEAKER:

Ms. Thompson.

Further Return To Question 290-13(4): Definition of Community Empowerment

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. As I said we have a plan in place and we have a lot of communities that are interested in community empowerment but we have not had any money for community empowerment in my department. But we do have the plans in place and we have the teams in place. We have been introducing community empowerment to the communities. If my budget is passed then we will be able to do more with the communities but I can give a list of responsibilities that have been transferred to the communities to the Member if he wants the details. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Henry.

Question 291-13(4): Origin of Privatization Initiatives

MR. HENRY:

Thank you, Mr. Speaker. My question is to the Premier on privatization initiatives. There was much discussion in the House on privatization, particularly POL. I note in the unedited Hansard of yesterday, Mr. Kakfwi informed the House that there is no specific policy on privatization. My question to the Premier is, where do they take their initiative from if there is no privatization policy in place? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Premier.

Return To Question 291-13(4): Origin of Privatization Initiatives

HON. DON MORIN:

Thank you, Mr. Speaker. As far as where we take the initiative from on privatization issues, is we look at services that we do supply to the public through government dollars and we look at what makes sense to privatize and we attempt to solve that problem that

way. At this time, it looks like privatization of petroleum products would be a good idea as well as computer services and property management. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Henry.

Supplementary To Question 291-13(4): Origin of Privatization Initiatives

MR. HENRY:

Thank you, Mr. Speaker. As I mentioned, Mr. Kakfwi in Hansard suggested there was no specific policy on privatization. My question to the Premier is, is this factual? Is there no policy on privatization? Thank you.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 291-13(4): Origin of Privatization Initiatives

HON. DON MORIN:

Thank you, Mr. Speaker. No, there is no policy on specific privatization issues. It is the government's intent to pursue

initiatives of privatization wherever possible. Thank you.

MR. SPEAKER:

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

Supplementary To Question 291-13(4): Origin of Privatization Initiatives

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MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, I have a document that says, Policy Privatization, now it was dated back in 1985. I am wondering if the Premier can tell me if this policy is no longer in effect. It is on privatization. Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 291-13(4): Origin of Privatization Initiatives

HON. DON MORIN:

Thank you, Mr. Speaker. I do not know about the 1985 paper the Member is speaking of. We as a government took the initiative to explore the options of privatization and that is what we are doing. We are looking at the options of the things we can privatize. Thank you.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Henry.

Supplementary To Question 291-13(4): Origin of Privatization Initiatives

MR. HENRY:

Thank you, Mr. Speaker. The document I am talking about is the privatization policy and it is signed by the then Commissioner John Parker, dated 85/10/22 but there is an interesting comment. Article 6 in that particular document states, "Responsible Department: The department whose program or service is under consideration for privatization ..." I would ask if there has been a change to or if indeed this policy is not in place presently. Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 291-13(4): Origin of Privatization Initiatives

HON. DON MORIN:

Thank you, Mr. Speaker. That is 1985. That is from a previous government. We as a government have taken an initiative to privatize and look at the options that are available for us to privatize government functions. We have also made it very clear that the co-ordination of privatization will be within the hands of Mr. Kakfwi as the Minister of RWED. That is the economic arm that deals with economic issues for this government but the actual footwork or the work that has to be done on the ground level, for example POL, Mr. Arlooktoo would handle that work because they are the department that deals with POL so they know that issue best. So they do the ground work. Thank you.

MR. SPEAKER:

Thank you. Again, just to remind the Members that when you are making reference to policies of previous Assemblies or governments you can cite from it but you cannot read extensively from a document that is not in front of the House. If you wish to cite more from the document, table it as a tabled document. Oral questions. Mr. Ootes.

Question 292-13(4): Process For Contract Proposals

MR. OOTES:

Thank you, Mr. Speaker. My question is for the Minister of Public Works, Mr. Arlooktoo. Last week I asked a number of questions in regards to the tendering process. The Minister was kind enough to send me an overview of contracting procedures. It brings to my attention the process used for proposals whereby the unsuccessful bidders are not informed in detail of the reasons for their non-success. I wonder if the Minister could tell me if he will revisit this process and direct the department to ensure that those people that have put in bids, have their detailed rating sheets discussed with them as well as the reasons why they were unsuccessful. The reason for my question is that the contractors are concerned that they do not know why they are not successful and I think it is important for the public competitiveness of the industry that those contractors be aware of why they are not successful so they can improve in those particular areas. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Return To Question 292-13(4): Process For Contract Proposals

HON. GOO ARLOOKTOO:

Mr. Speaker, in about 80 percent of the cases the reason why a contract was awarded to one firm and not the other is because of price and those are through our public tenders. In the other cases where we go through request for proposals, the process is a little bit more elaborate. There are more concepts involved, therefore that would make it pretty clear that in most cases it is a cut and dried reason why they did not win. However, I have looked into the issue a bit further and I have taken steps to ensure that in all letters from the Department of Public Works to unsuccessful bidders, that there is an offer to answer questions that they have on their own proposal.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 292-13(4): Process For Contract Proposals

MR. OOTES:

Thank you, Mr. Speaker. I appreciate what the Minister has offered and the directions he has given and thank him for that. One of the main criteria for the proposal system is that sometimes the financial amount is not predictable ahead of time. But after the project is finished, I wonder if the Minister would undertake to ensure that all those bidders are informed of the final cost of the project so that this becomes public information. Thank you.

MR. SPEAKER:

Mr. Arlooktoo.

Further Return To Question 292-13(4): Process For Contract Proposals

HON. GOO ARLOOKTOO:

Mr. Speaker, I will see exactly what the situation is. I understand that in most cases that the final figure for the cost of many projects does become public either through our accounting procedures, public accounts or through the different construction associations. But I will see what the situation is and see if we can respond positively to the Member's request.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Ootes.

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Supplementary To Question 292-13(4): Process For Contract Proposals

MR. OOTES:

Thank you, Mr. Speaker. One further item that I would like to pursue. If the Minister could provide to me the amount of dollars and the number of contracts that were issued under the construction management proposals or site superintendent services, in a similar fashion as he provided me with the overview of the programs. Thank you.

MR. SPEAKER:

Mr. Arlooktoo.

Further Return To Question 292-13(4): Process For Contract Proposals

HON. GOO ARLOOKTOO:

Mr. Speaker, I would need to know which year the Member is referring to but I will speak with him privately. I have done a little research on these construction management contracts and find that they are quite rare. So, I will find out from the Member which ones he needs to know about and give it to him.

MR. SPEAKER:

Thank you. Oral questions. Mr. Steen.

Question 293-13(4): Self-Government Negotiations

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, my question is directed to the Honourable Mr. Antoine, Minister responsible for Aboriginal Affairs. Mr. Speaker, over the last couple of days, Mr. Antoine has indicated his ministry is mandated to represent and protect the interests of the government of the NWT and the residents of the NWT at self-government and constitutional negotiating tables. I wonder, Mr. Speaker, if the Minister could define what these interests might be.

MR. SPEAKER:

The Minister responsible for Aboriginal Affairs, Mr. Antoine.

Return To Question 293-13(4): Self-Government Negotiations

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the Aboriginal Affairs Ministry has a mandate to represent this government, as well as protect the interests of the whole of the Northwest Territories at the talks that go on in the land claims area. Now, with the self-government talks that are beginning, for example, in the Beaufort-Delta, we have the Gwich'in/Inuvialuit municipalities that have obtained the agreement of the federal government to start talking about self-government negotiations. We, as the Government of the Northwest Territories, will be representing the government, as well as the interests of the Northwest

Territories, at these negotiations. This is protection for this government and the programs and services that we have as a government. We are there at the table to ensure that, during the discussions, that our interests are protected at the table. We are a third party at these negotiations. We feel that if the federal government and the aboriginal First Nations were to negotiate the self-government arrangements by themselves without us at the table, I think that we would be in serious trouble because what is on the table is existing programs and services that this government is currently providing. During the discussions, all these different programs will be discussed. We need to have our own representatives at the table to protect the interests of this government. Thank you.

MR. SPEAKER:

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

Supplementary To Question 293-13(4): Self-Government Negotiations

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, I believe the federal government has indicated they will be interested in protecting the Canadian constitutional rights of the citizens. I believe they indicated this by suggesting that any new constitution of the territory would have to conform with the Charter of Rights and Freedoms. Therefore, I presume the Minister's department will be more concerned with the democratic rights of the NWT residents at the territorial, municipal or community level. Is that correct?

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 293-13(4): Self-Government Negotiations

HON. JAMES ANTOINE:

Yes, Mr. Speaker. What the honourable Member is making reference to is that, yes, we have to look at all the areas that we are dealing with. We are there to protect the rights of all the citizens of the Northwest Territories at the territorial level as well as the community and regional levels. Thank you.

MR. SPEAKER:

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

Supplementary To Question 293-13(4): Self-Government Negotiations

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, the Minister indicated he has had, and will continue to have, an official presence at self-government talks involving Gwich'in/Inuvialuit in the Mackenzie Delta area. Mr. Speaker, I believe it goes without saying, that the Inuvialuit have a record of being fair in regards to how they treat all their residents in the communities. However, is the presence at these tables to ensure the rights of NWT and municipal residents are protected in regards to a resident's ability to vote and seek public office at the community level are protected? Thank you.

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 293-13(4): Self-Government Negotiations

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, at these specific negotiations in the Mackenzie Delta and Beaufort-Delta, the negotiations are just beginning now and since it has not been done before, we are, more or less, developing our position when each item is put on the table. For example, governments, then we are involved in developing our mandate on how we are going to deal with it. And, yes, since it is new, we are looking at individual rights as well as collective rights. In the Canadian Charter of Rights, there are provisions

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in there that recognize treaty and aboriginal rights. There is a derogation clause in the Canadian Constitution that treaty and aboriginal rights have to be recognized and affirmed. We are in a new type of arrangement that has not been done before and we are doing it. So, we are there, yes, to protect the rights of the people at the territorial level, individual rights as well as collective rights. As negotiations move forward, we will be getting into more and more details of what the honourable Member is raising his concern about. Thank you.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Steen.

Supplementary To Question 293-13(4): Self-Government Negotiations

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, I believe there are some concerns at the community levels as to whether or not our individual and democratic rights are on the bargaining table. Could the Minister assure us that the democratic rights of individuals to vote and hold public office at community levels, is not on the bargaining table? Thank you.

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 293-13(4): Self-Government Negotiations

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the individual and democratic rights that the honourable Member is referring to are not on the bargaining table. They are protected by the Charter of Rights and we abide by those rights. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 294-13(4): Clarification of Responsibility for Privatization

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, following up on the privatization matters earlier brought up by Mr. Henry. In a letter dated August 6, 1996 from Mr. Arlooktoo to myself as chair of the Infrastructure Committee, which I understand was tabled in the House, the Minister responsible for ED&T is co-ordinating all GNWT privatization initiatives. On page 804 of the unedited Hansard from February 7, 1997, the Premier states that Mr. Todd will be able to answer questions regarding privatization and property management. So, we seem to be getting mixed signals here, Mr. Speaker. In August, Mr. Kakfwi was responsible for privatization and, on Friday, we were told to direct questions to Mr. Todd. So, my question

to the Premier is, can he explain this to me? Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Mr. Premier.

Return To Question 294-13(4): Clarification of Responsibility for Privatization

HON. DON MORIN:

Thank you, Mr. Speaker. As I have said earlier in this House, Mr. Kakfwi is responsible for the co-ordination of all privatization initiatives of this government. Mr. Todd is responsible for the ground work on the privatization of property management. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 294-13(4): Clarification of Responsibility for Privatization

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I understand, to date the only area that has been privatized under property management is in Rankin. I wonder if the Premier can confirm that for me?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 294-13(4): Clarification of Responsibility for Privatization

HON. DON MORIN:

Thank you, Mr. Speaker. No, the Member is not completely correct. The privatization of property management is in the Keewatin area as a pilot project and then we are going to do the other areas next. Thank you.

MR. SPEAKER:

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

Supplementary To Question 294-13(4): Clarification of Responsibility for Privatization

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, when we say the privatization of property management, what exactly does the Minister mean? When we say the privatization of property management, what is that?

MR. SPEAKER:

Mr. Morin. As indicated, Mr. Todd.

Further Return To Question 294-13(4): Clarification of Responsibility for Privatization

HON. JOHN TODD:

It means we have the private sector look after the property management of our properties. Thank you.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 294-13(4): Clarification of Responsibility for Privatization

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, the privatization of property. Is the Minister telling me that means just waiting until we get out of the staff house functions or does it include all physical buildings and assets owned by the Government of the Northwest Territories in the Keewatin region?

MR. SPEAKER:

Mr. Todd.

Further Return To Question 294-13(4): Clarification of Responsibility for Privatization

HON. JOHN TODD:

Thank you. My understanding of the contractor that is currently looking after staff housing and in the lease arrangements that we have with landlords, et cetera, it is our intention, as I said in the budget, to proceed with that across the territorial framework and get out of the business.

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We are just waiting until we conclude the rest of the staff housing sales to see what is left over to move forward with the contract to do it in my honourable colleague's area of Baffin Island. I have had numerous phone calls from his riding, asking me to get on with it. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Erasmus.

Question 295-13(4): Sale of Crafts at YCC

MR. ERASMUS:

Thank you, Mr. Speaker. My question is for the Minister of Justice. Mr. Speaker, I understand that the Northern Frontier Visitors' Centre is referring people over to the YCC to purchase crafts. Also, that local tour operators are bringing Japanese tourists to the YCC by the bus load. I hope that we are able to stay away from international incidents like Peru, where the Japanese citizens are being held hostage.

Mr. Speaker, last summer my son and I watched the 10 foot high fence of barbed wire being built around YCC and the Minister has told us that the area where the crafts are being sold is outside a secure area. If the area where the crafts are sold is so safe, why is there a high fence of barbed wire around the YCC?

MR. SPEAKER:

The Minister of Justice, Mr. Ng.

Return To Question 295-13(4): Sale of Crafts at YCC

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, the razor wire fence around the whole institution is a secondary stage of security. If we were to have prisoners escape from the main facility, then that would be a second level, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 295-13(4): Sale of Crafts at YCC

MR. ERASMUS:

Thank you. Mr. Speaker, this second level of added security seems to infer that the area is not so safe after all. Is this correct?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 295-13(4): Sale of Crafts at YCC

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, it is just as I indicated, a second precautionary measure that is there. If anything, it was more of an attempt, probably during the summer time, when a lot of the inmates had the opportunity to have some recreational pursuits out on the grounds that it could be used as a buffer in those types of instances, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 295-13(4): Sale of Crafts at YCC

MR. ERASMUS:

Thank you, Mr. Speaker. Recently, the Webster Gallery went out of business in town here and, I understand, their speciality was carvings. I also understand that businesses in Yellowknife are noticing their volume sales, in crafts such as carvings, are going down. Would it not be more appropriate to arrange for the inmates to sell their crafts through the local businesses?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 295-13(4): Sale of Crafts at YCC

HON. KELVIN NG:

Thank you, Mr. Speaker. Certainly I believe that if the art galleries, the retailers in the community, were interested in purchasing the products coming out of the Yellowknife Correctional Centre, then I do not think that would be a problem, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Erasmus.

Supplementary To Question 295-13(4): Sale of Crafts at YCC

MR. ERASMUS:

Thank you, Mr. Speaker. I understand that the northern stores attempted to do this and they were not allowed to do this. Can the Minister find out

whether there is any policy or anything in the way of setting up this type of arrangement? Thank you.

MR. SPEAKER:

Mr. Ng

Further Return To Question 295-13(4): Sale of Crafts at YCC

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I am not aware of any policy that would prohibit that currently but I will check into the matter and advise the honourable Member. Thank you.

MR. SPEAKER:

Question period is over. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. I would like to seek unanimous consent to return to recognition of visitors in the gallery, please.

MR. SPEAKER:

Thank you. The Member for Hay River is seeking unanimous consent to return to item 5. Do we have any nays? There are no nays, you have unanimous consent, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. It is a pleasure today to recognize two very respected elders from my constituency. They have just driven in from Hay River. They came straight away to the Legislative Assembly so I am sure they are looking for something, so everyone should be warned. Mr. Alec Morin and Mr. Jimmy Thomas.

-- Applause

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MR. SPEAKER: Welcome to the Assembly. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Mr. Roland

ITEM 10: PETITIONS

MR. ROLAND:

Thank you, Mr. Speaker. I would like to present a petition, Petition No. 11-13(4), dealing with the matter of the proposed closure of Delta House Alcohol and Drug Treatment Centre. Mr. Speaker, the petition contains 749 signatures. Mr. Speaker, the petitioners request that the Government of the Northwest Territories reconsider its decision to close this pioneer treatment program, in light of the fact that there are so many people in the region who are suffering and dying from alcoholism and all its related problems.

MR. SPEAKER:

Thank you. Petitions. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Speaker. I request unanimous consent to return to item 7.

MR. SPEAKER:

The Member for Yellowknife North is seeking unanimous consent to return to item 7, written questions. Do we have any nays? There are no nays. You have unanimous consent. Mr. Erasmus.

ITEM 7: WRITTEN QUESTIONS

Written Question 14-13(4): Information on Staffing Appeals

MR. ERASMUS:

Thank you, Mr. Speaker. My question is for the Minister for the Financial Management Board Secretariat concerning staff appeals. The question is:

For the calendar years 1995 and 96, can the Minister provide the following information for each staffing appeal: the department that the position was in, the location of the position, affirmative action or union position appeal, upheld or denied, reasons why the appeals were upheld or denied and action recommended? Thank you.

MR. SPEAKER:

Thank you. Written questions. Petitions. Mr. Evaloarjuk.

MR. EVALOARJUK:

Thank you, Mr. Speaker. Mr. Speaker, I would like to present a petition, Petition No. 12-13(4), dealing with the matter of people reductions to Nunavut library

services. Mr. Speaker, the petition contains 414 signatures from residents of Pond Inlet. Mr. Speaker, the petitioners request that all Members should work to preserve the public library services which currently exist and to cancel the layoff notices which have been issued. Thank you, Mr. Speaker.

MR. SPEAKER:

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

ITEM 13: TABLING OF DOCUMENTS

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, I would like to table a document, Tabled Document No. 45-13(4). It is to do with the constitutional package for the new western territory. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Tabling of documents. Mr. Picco.

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I would like to table a document, Tabled Document No. 46-13(4), regarding the privatization policy of this government. I understand it is still in effect, dated October, 1985.

MR. SPEAKER:

Tabling of documents. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Speaker. I would like to table a letter, along with an overview of PWS contracting procedures from Mr. Arlooktoo, the Minister of Public Works, Tabled Document No. 47-13(4).

MR. SPEAKER:

Tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Mr. Dent.

ITEM 15: NOTICES OF MOTIONS FOR FIRST READING OF BILLS

Bill 12: An Act to Amend the Student Financial Assistance Act

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, I give notice that on Thursday, February 13, 1997, I will move that Bill 12, an Act to Amend the Student Financial Assistance Act, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER:

Notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters. Bill 8, Committee Report 2-13(4), Committee Report 3-13(4), Committee Report 4-13(4), and Tabled Document 20-13(4) with Mrs. Groenewegen in the chair.

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

CHAIRPERSON (Mrs. Groenewegen):

I would like to call the committee of the whole to order. The Speaker has listed a number of items that are before the committee of the whole today. What is the wish of the committee? Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. Tabled Document 20-13(4), Report of the Joint Working Group on the Business Incentive Policy is our desire to take first.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Is the committee agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRPERSON (Mrs. Groenewegen):

Okay, we will take a 15 minute recess and come back and continue with our business. Thank you.

-- Break

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CHAIRPERSON (Mrs. Groenewegen):

... with whatever number of Members come back, unless a Member raises the issue of quorum.

At this time I would like to ask the Minister if he would like to... On process, first of all, I would just like to read this out.

In consideration of the BIP, I would like to indicate to the committee the process that will be used to review Tabled Document 20-13(4) and debate surrounding the business incentive policy.

The Minister of Resources, Wildlife, and Economic Development will make introductory remarks on the current business incentive policy of the government. At the conclusion of the Minister's remarks, he will be asked if he wishes to move to the witness table and to bring in witnesses. If the committee concurs, then once the Minister and his witnesses have been introduced, I will permit all Members the opportunity to make general comments for up to 10 minutes on the current business incentive policy. In making opening comments, questions will not be permitted at that time. Once all Members who wish to make general comments are concluded, the chair will permit questions on the topic.

At this time I would like to ask Mr. Kakfwi if he would like to make introductory remarks on the business incentive policy?

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The Government of the Northwest Territories has used procurement policies to pursue economic development objectives since 1976. Policies like the business incentive program are only one of a variety of tools used by the government to support northern business development and to pursue employment for northerners. Other tools include the Business Credit Corporation Act, the Northwest Territories Development Corporation Act, the building and learning strategy, negotiated contracts, the Business Development Fund policy, and other policies, strategies, and programs.

The business incentive policy was first adopted in 1984. It was originally intended to provide NWT owned and operated business with financial compensation for the higher costs of operating in the north. This compensation was intended to:

First, level the playing field so that northern business could effectively compete with southern businesses; second, to support the cost of employing and developing northern resident business management, administrative, and technical staff; and third, to

support the cost of using northern business support services and suppliers.

After five years, the effect of the policy was a 70 percent northern and 30 percent southern split in contract awards in the construction, maintenance, and service sectors. By 1989, two concerns were emerging.

First, businesses in larger centres were competing effectively with southern business, but there was no growth in the total market share of northern business. In addition, businesses in smaller communities were still disadvantaged relative to both southern business and businesses in larger centres.

Second, northern businesses did not necessarily operate to the benefit of other northern business or the northern labour force. In fact, northern business often imported southern labour and ordered material from southern suppliers.

In an attempt to address these issues, a number of changes were made to the policy in 1991. The basic bid adjustment was increased from 10 percent to 15 percent and an additional five percent adjustment was added for local companies. The result of these changes was a rapid increase in both northern and local awards raising the overall proportion of northern/local awards to 85 percent. I would add that the current proportion of northern/local awards is about 95 percent.

To address the issue of real northern benefit, bidders were asked to provide additional information about the northern and local content of their bids, including subcontractors and suppliers. This content included material supply, labour, accommodation, freight, and overheads. The requirement for this additional detail created significant work for both the contractors and the GNWT contract authorities. Contract awards were slower as GNWT tender offices were faced with complex investigations to determine the lowest BIP adjusted bid. Furthermore, increased expectations regarding northern content increased the need to police whether promised northern labour was utilized in the performance of the contract. Complaints continued, now focusing on companies being storefronts for non-resident businesses and promises to employ local labour were not being met in all cases.

The GNWT was overwhelmed with requests to review situations and make rulings on the basis of the spirit and intent of the policy. Efforts to enforce local and

northern benefits resulted in accusations that the policy had become administratively cumbersome, bureaucratic, vulnerable to political influence, and generally ineffective.

In August of 1994, Cabinet directed that the public be consulted to identify the issues and problems related to the current policy and to offer suggestions for possible changes. The consultations lasted three months and included public meetings in all regional centres, as well as more than 300 written submissions. The major concerns identified included:

First, businesses can circumvent the northern ownership provisions;

Second, one incentive rate applies whereas benefits vary according to individual contract;

Third, northern labour promised in bids may not materialize;

Fourth, northern manufacturers receive no benefits from the policy;

Fifth, the costs and benefits of the program are unknown;

Sixth, the grandfather provisions of the policy should be abolished.

The Department of Public Works and Services, in concert with other program departments, then developed a new approach

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to the business incentive policy which attempted to deal with the specific issues raised in the public consultation.

The changes proposed were fundamental, in that there would no longer be 'eligibility criteria' or BIP approved companies. Rather, the bid adjustment would be calculated and would reflect three variable factors:

First, the specific business sector and the cost variance over a similar southern business;

Second, the specific contract location;

Third, the proportion of company operations conducted in the north.

An additional 2.5 percent would be available to 'northern companies.'

This would effectively address concerns regarding the single incentive rate, the circumvention of ownership provisions and the grandfather clause issue.

In addition, the proposed policy would:

First, eliminate bid adjustment with regard to commercial accommodation;

Second, establish northern and local labour requirements within contracts and provide a bonus or penalty upon completion;

Third, include incentives for northern manufacturers.

The proposed policy was presented through public meetings in all regions between February and April of '96.

The results of this consultation were consistent. Concerns were expressed that the proposed bid adjustment process was far too complex. The public expressed a preference for the existing policy.

In September of '96, the Premier sought the views of the Premier's panel with respect to the BIP issue. The panel were provided with a presentation on the issues and possible options with respect to future directions. The panel's recommendations were:

First, that there is a requirement for the business incentive policy;

Second, the existing policy should be revised to incorporate those changes which were generally acceptable to the public during the consultation.

In October of 1996, a Joint Minister/Ordinary Member Working Group was established to review and make observations and recommendations on the following:

First, review the current business incentive policy, including its objectives, accomplishments, and shortcomings, including the interim manufacturing directive;

Second, review the results of the public consultation on the revised business incentive policy;

Third, discuss the costs and benefits associated with implementing the business incentive policy;

Fourth, review various options for implementing the business incentive policy.

The working group met on five occasions before presenting their recommendations on the 12th of December, 1996. Their recommendations may be summarized as follows:

First, broaden the commercial accommodations directive to include legitimate bed and breakfast operations and eliminate bid adjustments on accommodations;

Second, to consider the northern manufacturing directive and rationalize its application and proposed incentive rates;

Third, implement a system where northern and local labour is specified in contracts and bonuses and/or penalties are provided based upon actual northern and local labour utilization, and discontinue bid adjustments for northern and local labour;

Fourth, to further review the grandfather provisions of the business incentive policy;

Fifth, to consider four options related to bid adjustments as follows: 10 percent northern and 10 percent local; an overall reduction in bid adjustments; no adjustment; or a sliding scale option;

Sixth, to decrease the "northern only" tender limit from \$30,000 to \$25,000, consistent with limits established in the Internal Trade Agreement;

Seventh, to do further analysis of the relationship between standing offer agreements and the business incentive policy.

Madam Chair, we are not able to provide an accurate dollar estimate of the cost or the benefit of this program. We do

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know that 95 percent of the nearly \$100 million in contract awards last year were won by northern firms. We also know that in recent years, bids from southern companies on NWT contracts have declined steadily and we know that, year by year, northern companies are increasingly becoming competitive with their counterparts in southern Canada.

We know that goods and services are now available in many of our communities which were not available a decade ago. We know that the hotel facilities in

many of our communities are far superior to what was available in the not so distant past.

Madam Chair, I stated earlier that the BIP was just one tool utilized by this government to address our economic circumstances. But I believe it is an essential tool. This government vigorously and successfully fought to have this essential policy exempted in the Agreement on Internal Trade and throughout our consultations and presentations, there emerged a clear majority who believe the BIP remains an important and necessary policy of this government.

The business incentive policy has now been under review for almost three years. We have consulted with the public on two occasions. We have consulted with the Premier's panel. We have consulted with the standing committee, Mickey Mouse and with the Joint Minister/Ordinary Member Working Group. Sorry, I just wanted to know if you were paying attention. We have published discussion papers and we have conducted various reviews and cost benefit studies. I believe the time for study, review and consultation has past. It is now time for decisions to be made. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Are there general comments by Members? We hope that you have been attentive to the fact that we would prefer you not to have questions contained in your general comments, but that you would save those until later. General comments. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I think that it is as Mr. Kakfwi finished off. It is time for some action on this issue. I have shared concerns with businesses in the community I represent, I guess, the way it exists right now. Questions come up that how can a company who is outside of the region get lower points than a company from within a region. All these things play into this need for the policy revision. I think that it is a tool that can still be used in the north. But it definitely needs to be adapted. I hope that at the end of the day that we have made some changes to have a positive impact on communities and local businesses. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. General comments. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. The intent of the BIP as laid out by the Minister in another document, is a good one and that is how to keep things in the north. The issue is that of implementation and the complex system that we have created in trying to meet that goal. But no matter how we try to put additional rules in place to make sure that the policy is honoured, it seems that there are ways developed to circumvent the system that is in place. Going through one or two or sometimes three northern companies before bringing in people from the south. The whole issue of storefronting that is laid out in the work done by the committee. So the question to me is how do we make changes that are going to improve the system and can we do anything substantive given the complexity of this particular policy and the fact my community, like Mr. Roland's, and like this House is split on the issue. Some people think that BIP is very essential and should be enhanced and improved. Other people think that we could do away with it or people think that it is just corporate welfare. I think there is a clear need to maintain northern business in the north, government money in the north but how do we do that. I think that the committee that was struck came up with some good recommendations. The one issue that I think we have to make decisions on and not study any further is the one of the grandfather clause. I think we should be very clear identifying that corporations that make billion dollar profits, that are internationals, should probably not be covered under BIP. That was not the intent of the program.

My own preference, I still think there is hope for the Yukon model where they give you a tax incentive at the end once you have completed the work. That you do not have all these up front costs and structures in place trying to monitor things ahead of time. Before the contract starts is the way to go in the long run, but I do not think that we are going to be able to make substantive changes given the complex nature of this particular policy prior to division. So I think that we should seriously look at the recommendations of the committee and the ones that they reached consensus on we should concur with, and then maybe talk a bit about the ones where there was no consensus but wide clear direction. As the Minister said, I do not think it is a case of studying things, even like the grandfather clause any further. But we should say something definitive on the issue as an Assembly to provide clarity for the next 800 days because I am sure that this particular policy will be debated at length after division as well as each new territory

seeks to chart its own path through this particular area. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Mr. Steen. No, Mr. Steen. No. Okay. Mr. Barnabas.

MR. BARNABAS:

(Translation) Thank you, Madam Chair. This business incentive policy is very essential to small communities, especially for new businesses that are established. The new businesses that are established do need help. At division, this will be essential for new businesses that are northerners. I believe it really helps to keep the money in the north. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Barnabas. General comments. Mr. Picco.

MR. PICCO:

Thank you, Madam Chair. Madam Chair, going over the recommendations coming out of the BIP review, some areas met with favour, in other areas there were a lot of things that were left standing. One of the major concerns I had that was not addressed was the grandfather clause. I did not understand why, for example, we are grandfathering companies like the Royal Bank or the Canadian Imperial Bank of Commerce, corporations, multinational corporations that make, as reported in the media, billions of dollars of profits. I

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have major concerns with companies that are under the grandfather clause that get northern preference competing with local firms.

On northern local labour, one of the things when I was part of the group that toured the Maritimes last summer, was that in the Maritimes, for example, in Newfoundland what they do is backend the availability of incentives. Instead of giving discounts at the beginning of a project, at the end of the project, the different companies would for example, send in their T4 slips and say, yes, we hired 20 northerners or 20 Newfoundlanders in that case and that way you could go ahead and provide the incentive at the end of the project. It also takes away then, this government having to monitor different worksites and projects to

make sure that indeed, companies are carrying out this incentive.

On the bed and breakfast establishments, I think we have hit on a good point there about having the classification for the tourist home with the bed and breakfast and having that defined under the Office of the Fire Marshal. On northern local labour, like I said earlier, I think we should be providing those on the backend and not on the front. On the reduced costs and bid adjustments, 10 percent northern, 10 percent local, we have again to look at maybe the sliding scale option based on what the percentage you are trying to do on a bid.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. General comments, Mr. Ningark.

MR. NINGARK:

Thank you Madam Chair. Madam Chair, my concern is under the bed and breakfast establishments. I think, the Honourable Premier and Minister for Public Works and Services will remember about two years ago, I spoke to this issue a number of times in this forum and in the committee Caucus. We have a situation in Gjoa Haven in which we have elders, two couples that are running a bed and breakfast. Many times I have travelled to Gjoa Haven and they have come to me and talked to me about their concerns. I have brought the concerns before this House to the appropriate Ministers at the time.

Madam Chair, there are times when a couple that own and operate a bed and breakfast spend all their money, a substantial amount of money, to renovate homes to try and meet the regulations under the health, safety and so on. Madam Chair, many times that I have talked to the appropriate Ministers, and many times I was told that the current policy does not allow the contractors to use the bed and breakfast unless the hotel, commercial accommodation is booked or full.

Madam Chair, people who own and operate a bed and breakfast are the ones who do not have any other means of earning income. Either they are retired or they have no job in the community. They would rather own and run this establishment than get social assistance in the community. If the business is prosperous, there is a potential to hire local employment of two people, especially the communities in the eastern Arctic where there is a

very high unemployment rate, for instance, in Gjoa Haven. When we talk about trying to make people productive, surely we should be supporting them when they are endeavouring to operate a business, a bed and breakfast. In some cases when the hotel is full, there are times when the contractors in the past ten years had to get their own accommodation and make their little shack in the community or build a little building instead of using a bed and breakfast. Having a bed and breakfast is legitimate. I feel that a bed and breakfast is safe. They are subject to inspection by health people. They are subject to inspection by the safety people, thereby, I believe that it is high time that we recognize people and couples that are trying to run bed and breakfast homes. Give them a chance. They do not want to depend on the welfare system, they would rather own their own business. Like I said before, potentially they will be hiring local people if the business is prosperous. Thank you, Madam Chair.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ningark. General comments. Next I have, Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. As the Member of the working group, basically we have put in front of you seven recommendations in certain areas we felt that should be more discussions on and concentrate on those particular issues in relation to the accommodation directive and the question about bed and breakfasts versus hotels. The other area was looking at the northern manufacture directive. There was a lot of long debate on that one because right now there is no policy in place to deal with that. As Mr. Picco stated the cost has to make sense. That the cost of producing something does not cost extremely more than what it costs to ship it from southern Canada.

Also, in regard to the whole question about northern and local labour, we did look at the whole aspect of what is in other jurisdictions, such as the Yukon, where it is a tax rebate where you get it at the end of the project.

A lot of time was spent in regards to the discussion of the grandfather provision. The grandfather clause where a lot of concerns were raised in relation to the corporations and businesses that are listed and are multimillion dollar corporations which have southern

based headquarters in southern Canada, and also operate all across the country, and also overseas.

Then, the whole question about the bid adjustment was raised which we looked at the fairness especially in relation to the community opportunities in which there is some sort of incentive. So sort of balance it out between northern and local.

The other question was in regards to the northern only tender in relation to the amount that has gone from \$30,000 to \$25,000 that we looked at the possibility of seeing what was there. But one thing that I think that people have to really realize here is that in relation to the international trade agreement that there is an exemption put forth in relation to this protection for the people in the Northwest Territories. I think that is one thing that people sort of overlook. I think that is something that we have to be aware of that this is a protection mechanism that special provisions were made for this type of protection for people in the north and northern operators. So that is something that we have keep in mind when we are looking at this thing. You cannot just throw it out because it is there for a purpose and one of the main purposes, it is a protection mechanism especially in regards to the International Free Trade Agreement.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Krutko. We have Mr. Steen, Mrs. Groenewegen, and Mr. O'Brien. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, I would like to start off stating that I believe the statement put forward by Minister Kakfwi. It is fair and it describes the BIP in all its glory. The only short problem that I see in the statement is it seems to miss the fact that the BIP is a subsidy. It is a subsidy from this government to business. As a subsidy, it should be looked at in that form. As we go through the budget we realize that every subsidy almost is being cut 10 percent, 50 percent or 100 percent in some cases. So, we should look at it in that form. There is no doubt that the statements made by the Minister as to the benefit of BIP at one point, probably, was all true that they did serve the purpose. I would even suggest that if you look at the number and the list of the grandfather companies and the fact that many of them are multimillionaires now is that the result of BIP? I am not suggesting that it is but I have to look at it that way too. It obviously benefited them. Some of them enough to put them in the million dollar bracket.

So, we must then ask ourselves should we continue to apply BIP to these big companies. At what level do we stop applying BIP? I am not sure that if eliminating the grandfather clause will reduce the cost of implementing BIP enough so that we can say we are actually eliminating it 5 percent, 10 percent overall the cost of BIP. There is one thing that is quite obvious is that the BIP is not only in capital. BIP is right through the whole government expenditures, O and M, everything that can be confirmed by the list of companies that are grandfathered, that are benefiting from the BIP. It is through the whole system. So it is hard to track and put a dollar figure on it.

Last year I put forward a motion in this committee that we freeze the BIP until such time as we could define what exactly it is costing us and what the benefits are. Now since then, the government through briefings that we have had with them have indicated quite clearly that this BIP subsidy is still quite heavily relied on in the smaller communities although it might not be necessary anymore in the larger communities like Yellowknife or Hay River or Fort Smith. I cannot leave out Fort Smith. You know we did get a fairly good education from the government as to there being some benefits to the small communities, but I think there is one thing that came clear in the discussions that we have had with government. It is that the BIP is not necessarily required, to my understanding anyway under article 24 of the Nunavut Land Claim. It simply says in the land claim, the way I have been told anyway, that something similar to the BIP would be in place in Nunavut.

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CHAIRMAN (Mr. Ningark):

Thank you, Mr. Steen. We have Mrs. Groenewegen, Mr. O'Brien on the list and Mr. Ootes. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I have spoken at length in this House before through Members' statements and committee of the whole in support of the business incentive policy. I believe it is a policy that does need adjusting and modifying and refining at certain times and certainly there are areas right now that perhaps we should be looking at changing, but the basic essence of the policy, that being to support the purchase and supply of northern goods and services from northern companies, is still one that I believe this

government should hold to. That is not some lofty, philosophical policy.

We need to look hard at why we would have such a policy in place. I think the answers to that are obvious. It increases labour development, it increases the numbers of jobs in the north, it enhances economic development, that is why we should support it. It is unfortunate that we cannot come up with a comprehensive look at quantifying the benefits versus the costs, because I am quite certain that if we could identify the benefits of the business incentive policy, every Member of this House would be satisfied that this is a policy well worth keeping and perhaps with some minor adjustments.

My friend, my colleague, Mr. Steen, has referred to the big companies that have become millionaires under the assistance and subsidy of the business incentive policy. Could I suggest that the big companies that have a presence in the north became big by working hard and they also have a big payroll, they employ a big number of northerners, and they have a big overhead to maintain. If they became that big, they generally employ quite a number of people and I do not think that we want to start playing around with that at a time when the public service is being reduced. I think we need to do everything we can to enhance growth in the private sector.

As a government we say we want to pull back, we do not want to be responsible for creating jobs, but we want to create an environment whereby the private sector can develop and create those much needed northern jobs. If we do not have the business incentive policy, what are the alternatives? That is something that we also have to consider. At a time when we are cutting back in our capital expenditures as a government too, we have to understand that there are small and medium sized construction companies that have grown up here in the north that are going to have a hard time coping and struggling with this drastic reduction in capital projects here in the north. They have to get through this time on a lesser amount of work and a lesser amount of projects out there, and I think that to start interfering with showing them preference is going to be a mistake. They are going to have a tough enough time hanging on through these hard times. If we think that the increase in rates of people who are requiring income support have gone up in this past year, I think that all we are doing is inviting that to escalate even further if we pull back this very important support to northern business.

With that, Mr. Chairman, I think that I should also actually touch on the issue of the manufacturing. Mr. Picco, my colleague from Iqaluit, raised a good point when he talked about manufacturing. Should there be a manufacturing policy that would require someone in Iqaluit to purchase out of the west? That is why I think that the 20 or 25 percent limit is a reasonable limit to put on as an added charge, on manufactured goods. If the cost of shipping and handling becomes prohibitive then, obviously, it would be over the 25 percent and those companies would not have that opportunity, but a 20 or 25 percent allowance for people manufacturing products in the north, I believe, is reasonable. Certainly there is a lot of manufacturing in my riding, but it is increasing in a number of other communities as well.

The reason why I think we could justify providing them with a greater northern preference allowance is because the type of work manufacturing is, it is more labour intensive, so it does provide greater benefits to northerners and there are not that many things that you can effectively manufacture in the north. We are kind of a captive market here to suppliers and manufacturers in the south, but if there is the odd thing that we can break away and sensibly manufacture here in the north, then I think this government should support that. Like I said, I wish we could quantify the benefits of this business incentive policy, because I am sure that everyone would see that it is well worthwhile and I will certainly be supporting its continuation and modifications where necessary. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mrs. Groenewegen. Mr. O'Brien, you are still on the list, did you want to comment? Mr. O'Brien. General comments.

MR. O'BRIEN:

Thank you, Mr. Chairman. I will be brief with my comments. I also sat as a member of this committee, this review. I should say that my first impression when we started

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I think the areas that we should be concentrating on are the commercial accommodations, the grandfathering, the BIP adjustment, and one of the issues that needs more clarification is the manufacturing directive. I think that there are a lot of people, business people and the communities in

general, that are waiting for the results of how we are going to deal with the BIP and how we are going to resolve the concerns that have been brought up over the last three years of analyzing this. I think the most important thing here is that we get on with the business of the results of the discussions, the review, that we take some action and that the report not be put on some shelf just to collect dust.

People are waiting for us to take some action on this review and I think we should do it as soon as possible. Thank you.

CHAIRMAN (Mr. Ningark):

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

MR. OOTES:

Thank you, Mr. Chairman. I think I can acknowledge, like others have, that at one time the BIP was a very essential program for northern manufacturers, northern construction people, and other industries, but I have to look at the original intent of the BIP and that was to allow northern companies to get the contracts and to make them competitive. I do not think it was intended that these companies should be subsidized by any means. My feeling is that, in many ways, the BIP has become very successful and it has achieved its intent. I say achieved. The question that really needs to be asked is, is it needed everywhere now? Is it needed by all those companies still? How badly?

We have to remember that this is a costly process and I would like to address the question of cost at some point. That cost is being taken away from other badly needed programs, social issues, we do not have a job creation program in the territories. We are spending millions of dollars in this area, but does it necessarily create more jobs if these companies still get the contracts without the BIP? The question that has to be asked is, can you ensure that northern companies will continue to get the contracts? Because that was the original intent of it. I think it is correct. We need to address this, we need to take some action. The BIP policy is complex, it is not as simple as perhaps initial appearances. A lot of people think that we need to do away with it, other people think we should keep it.

Now, looking at the recommendations of the committee, the northern manufacturing directive, yes, again, we are getting into a program, though, where we are saying supply funding for northern

manufacturing companies. Is there a way to address that other than through a 25 percent increase in cost? These companies, presumably, are manufacturing now so can they not continue to manufacture and supply their goods, if they are guaranteed that they get so many contracts?

Bed and breakfasts. The recommendations by the committee make sense to me. On the grandfather clause, the multi-nationals, I agree, if you are talking about banks and so forth, but there are a lot of companies listed there that are northern companies. Just because they are large does not mean that they should not be competitive. If the BIP was kept does not mean that they should not be considered the same as others. They employ a lot of people.

The BIP is applied, like Mr. Steen said, it is applied everywhere in the government. It has tentacles all over the government with small, little purchasing items to huge, huge contracts. It boils down, to me, to the main question of, what is this costing and can it be downsized? Can we save money by changing the system? I would like to address that question later on. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Ootes. Any further general comments from the floor? Do we agree then that... Yes, Mr. Henry.

MR. HENRY:

Thank you, Mr. Speaker. I will try and keep my comments short. I would rather be working on next year's budget than BIP around the House here. Mr. Chairman, the policy, as I see here in the Minister's notes, was a procurement policy initiated in '76, it was then followed by a business incentive policy in '84. Five years later, in '79, there were 70 percent of northern companies receiving the awards of contracts of the GNWT.

My understanding of the business incentive policy, the two main reasons it was initiated, were to increase the labour component. In other words, to employ northerners and also to create and establish northern businesses in the smaller communities.

I think that it is fair to say that over the last couple of years, the funds spent by this government in capital projects has gone from just over \$200,000 to just over \$100,000 in a year. My question, that I believe needs answering, is, what is going to happen to all these

businesses, all these hotel accommodations, and community infrastructure that has been built up because there was a constant supply of dollars to communities through construction projects over the years? What is going to happen to those establishments with the money being withheld now by the government? The amount of money spent on capital projects is declining drastically.

As far as manufacturing, I do not believe we have a manufacturing base that can compete with southern Canada. A large, large obstacle to our manufacturing is to get our product to market, something that southern manufacturers do not have. I have definite concerns that, as the government continues to cut back on the capital projects in the north, these manufacturing companies who are not able to compete with southern establishments certainly will not have any reason to be manufacturing and this government may have supported a lot of expectations in that area.

I am not sure why the hotel component was put into the policy. I think there is an obvious anticipation by the government that there is a component of southern labour required so here is an

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opportunity for another segment of the community to get some revenue generated.

I have concerns in communities where there is only one establishment, where there is no market. It leaves the door wide open to a supplier of services where they happen to be the only company or individual that has that service. If the policy of the government dictates that accommodations have to be purchased from hotels, then I would suggest that that has to contribute to inflating the cost that this government has to pay for projects.

I believe this government should be supporting organizations that are able to compete with southern suppliers. We have examples of companies that are able to, through good management and an interest to get larger for example such as Robinson's Trucking in Yellowknife and Ferguson Simek Clark, who are both providing services in southern Canada and being very successful at it. I think that is what we should be promoting more than trying to have people just be able to compete among ourselves in one jurisdiction and I think we have to take a global look at this whole situation.

I question, Mr. Chairman, what advantage a supplier of services has coming to the north over a local company. I certainly cannot see if we take a construction company, for example, a local company that lives in the Northwest Territories. They know the communities, they know the people, they know where services are available to what degree of services. Companies from the south do not have that so they are starting at very much of a disadvantage.

I would like this government to look at, as I proposed before, a policy where suppliers of service, particularly in the construction industry, would get the rewards at the end of the contract. I would encourage the government to be putting contracts out across the board and those contracts awarded to the lowest bidder. When that happens, then when a contractor receives an award of a contract, he or she would be given the names of all peoples in that community that were eligible for work. At the end of a contract, when the contractor supplied to the government all the paystubs with the names of all the local people and all northerners that were hired, I would like to see a type of policy where they would get reimbursed a percentage of the contract. So do it after the fact. I believe Mr. Picco spoke about that incentive. I believe there is where northerners would get employed and northern business would have the advantage because they know the people already. They know the communities. They know where these services are available.

The Minister in his statement talks that we are now at 95 percent of northern and local component. My question is, what do we need? Do we need 100 percent before we can decide that northern businesses can stand on their own? I believe, Mr. Speaker, we are at that stage where northern businesses can compete very much on their own. I would encourage the government to take a look at a policy, if they have to have it, whereby northern people can be hired and northern companies can get an incentive for hiring those people. They do have an advantage because they know where the people are at. Thank you, Mr. Speaker.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Henry. Are there any general comments from the membership of this committee? If not, perhaps I could ask if there are questions to come out of this on the topic of Report of the Joint Working Group on the Business Incentive Policy in this case, tabled Document 20-13(4). I would like to ask the Minister if he wished to bring in the witnesses

before we entertain questions from the membership? Mr. Minister.

HON. STEPHEN KAKFWI:

Yes, I would like to bring in some witnesses.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Kakfwi. Do we have the consent of the committee that the honourable Minister shall bring in the witnesses? Thank you. Sergeant-at-Arms, bring in the witnesses, please.

For the record. The honourable Minister, would you please introduce the witnesses to the committee?

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. I have with me today on my left, the deputy minister of Resources, Wildlife and Economic Development. On my right, the executive director of Resources and Economic Development within the department. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I will now allow the committee Members the opportunity to ask questions. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. If we could maybe stick to the seven recommendations and go through line by line and, if that is acceptable to the rest of the Members here, that is the process we will follow?

CHAIRMAN (Mr. Ningark):

Do we agree then we will follow the line by line as suggested by the honourable Mr. Krutko? Agreed? What page do we start? There are no page numbers here? Thank you. I am informed that your question could relate to the document here or the Minister's general opening remarks. What is the wish? Any questions? Mr. Krutko? Mr. Kakfwi, pardon me.

HON. STEPHEN KAKFWI:

Mr. Chairman, as I said in my opening remarks, I believe it is time to make decisions and we have done extensive consultation. We have some options. We can do away with the policy. We can leave it as it is or we can come forward with some changes and some amendments. I should let the Members know here that we, at least as a Minister and with my colleague

Mr. Arlooktoo, we have yet to finalize our position. I think we are prepared to go to Cabinet with our recommendations in the very near future and to share that with the Legislature at the earliest instance. So I am prepared to meet with my officials and Mr. Arlooktoo and go forward to Cabinet with my recommendations at this time and, of course, taking very seriously the recommendations that were made by the working group. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Kakfwi. Questions from the Members? Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. Well it is correct, what the Minister says. It is time to make some decisions but I

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am still a bit in the dark as to what exactly this particular program and thrust of the government costs? How much of the territorial budget is devoted to the BIP? I would like to be able to get an answer to that as a starter. Second question I have is, the Minister himself has pointed out that many of the objectives of this policy have been met and I agree with him. Competitiveness was an issue back in the 1980s and early 90s so that northern companies could get the contracts and then to ensure that there was maximum northern content and maximum northern labour. If that has been achieved, and it has been achieved, can any contracts in future not stipulate that it should have a northern labour content and a northern materials content? So perhaps the Minister could address those questions for me.

CHAIRMAN (Mr. Ningark):

Thank you. In order to allow Members of this committee a chance to ask questions, I will allow any one Member about five maximum questions and then proceed to a Member who has not asked questions. But that is the prerogative of the Minister. If you want to ask whom you want that is up to you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, as we have said on numerous occasions we are not able to quantify it in the manner that the Member is seeking. I think we know that there are extensive benefits that are a result of this policy and he would have to accept it on good faith that the benefits far exceed the costs. It is beneficial to leave

this policy in place to ensure continuity of the benefits. It is my view that the government has a vested interest in maintaining this policy, unless it is clearly demonstrated that it is detrimental to the economic development of the north and that the policy is obstructionist and is a direct detriment to the further development of our economy. One of the reasons is that in the internal treaty agreement with other jurisdictions in this country, all jurisdictions have sought to have certain exemptions made. Otherwise, free trade prevails. In our case, the one exemption we have is this business incentive policy. Once it is gone, it is gone forever. Some of us do remember, those of us that have grown up in small communities, this fly-in/fly-out operation has long since been identified and dealt with. We now have hotels in our little communities where we did not have them before. We have construction companies where we did not have them before. We have people working in our communities where no one would hire them before. So there is some real visible benefits that we see. The government, for instance, took a very strong position in regard to the recent BHP proposal. We said, and drew a line in the sand that said, you hire our people, you give business to our companies or we are not prepared to support you at all. I am not certain that every Member of this Legislature was behind us on that strong stance. We delivered and maybe some of the companies from Yellowknife and Hay River would not be providing services to BHP had it not been for us. Maybe they would have got it anyway, but perhaps they would have just been a fly-in/fly-out operation, which was the way it seemed oriented to go in the first place.

In any case, perhaps there is even a way that BIP would not need to apply to certain places if there is felt to be no longer a need for it. So I would have to suggest to the Members that, do I need to have it quantified before I insist that it continue to apply? In the small communities, I would say not. Every time I go into a small community, I see the benefits of it. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Questions? Mr. Ootes are you okay? We have Mrs. Groenewegen and Mr. Miltenberger. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Well thank you, Mr. Chairman. There was a piece of information, a document that had been received when we had discussed this previously last year. When I

saw that document I was very pleasantly surprised by the degree of competitiveness of northern companies whereby I think that we need to dispel the myth that the business incentive policy comes into effect on every purchase made by this government. I would like the Minister or his staff to confirm for me that many times when prices and bids are sought, what in fact happens is that in some instances, northern companies are actually less and in other instances, they may only be a small percentage over a southern contractor, in which case the full percentage advantage of the business incentive policy never comes into play. In fact it is much smaller, it is more of an insurance type thing. In fact, if the Members were aware of how many times that it is not actually an added cost, they would be pleasantly surprised. Could the Minister confirm that is indeed the case?

CHAIRMAN (Mr. Ningark):

Thank you, Mrs. Groenewegen. Mr. Minister.

HON. STEPHEN KAKFWI:

I am going to ask Mr. Andrew Gamble to respond to that question. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gamble.

MR. GAMBLE:

Thank you, Mr. Chairman. What the Member says is quite true. In fact it is only infrequently that bids are awarded on the basis of the northern business incentive preference. Very seldom is it the full premium. For the most part on most contracts, bids are only received from northern suppliers or northern contractors. We are getting fewer and fewer bids from southern contractors. For the most part again, several northern contractors competing, they get the same adjustment so they are really competing on level ground with each other. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. So I was fairly alarmed when this was previously discussed to hear Members taking the total capital expenditures and O and M expenditures of this government and arbitrarily tacking on an additional 10 or 15 percent and coming

up and touting that as the cost of the business incentive policy. So I wanted clarification on that because, in fact, that is not a very accurate way of assessing what the business incentive policy costs this government. I believe the Minister may have already, in some part, responded to this but as was stated, no one usually makes a move unless the consequences are contemplated and the cost of such a move is measured. So at this time, when we have got our economy to the level of maturity and growth that we have got it to, I feel that it would be reckless to make any significant changes to this business incentive policy that might cause a detrimental impact to business in the north.

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I would like the Minister's assurance that this will not be the case. This will not happen until such time as this has been fully considered. Having said that though, I do agree that we have been talking about this far too long. We need to get on to other matters. I would just like the Minister's assurance that there will not be any rash moves or changes made that could have a detrimental impact on northern business.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, it is time to be very politically sensitive to concerns to Members from all parts of the north, so this is no time to be abrupt or sudden or dramatic in the changes that we propose, especially in regard to policies that affect the business community and the economic well-being of our business community. So I can assure the Members that whatever we go forward to Cabinet with, shall surely be a well measured, calculated, well thought out move. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Questions. I have Mr. Miltenberger. Thank you.

MR. MILTENBERGER:

Thank you, Mr. Chairman. The issue, or one of the issues that I would like the Minister to address, is the recommendations of the working group in this report. The one specifically where there was consensus among the Members, the MLAs, Cabinet and Ordinary Members. Is the intent to take those ones and act on them? The ones where there were

consensus? Or are you just going to take them into consideration?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Miltenberger. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman. With all due respect to Members, these are recommendations that I have said we did have a part in formulating but I cannot at this time assure Members on what specific recommendations we are going to act on. Just that every one of them will be looked at and if there is sufficient merit in moving on it, if there is, for instance, a way that we can shore up our assurances without increasing costs, in fact, if it has any sense of reducing costs, we will do it. If it simplifies the process, if it increases benefits to the local communities, we will try to accommodate these suggested changes. I cannot specifically tell you, at this time, which ones we will go forward with, at this time, to Cabinet. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. The Minister made comments in response to one of the questions from the Member for Hay River in regards to it is time to be politically sensitive and measured in their response, so that we do not cause confusion or disrupt the economy any more than it already has been affected by various factors. Does this mean that, in fact, the Minister will not be looking at any substantive changes to the BIP in light of the concerns you addressed to the Member of Hay River as well as the concerns I have raised earlier in regards to division and the way that the northern community seems to be split on the issue of the BIP? That, in actual fact, we are looking at sort of fine tuning what we have, if we are going to do that as opposed to any kind of substantive modification or possible development of a different system?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Minister Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, I do not want to get into generalizations but it would appear that my sense that the business

incentive policy should stay in place and, within certain parameters, we should be prepared to look at certain amendments to the policy. So that is where I am at this time. As I said, I am prepared to go to Cabinet, with the support of my colleague, Mr. Arlooktoo, with our recommendations on what to do. Cabinet will then decide what changes, if any, will be supported and we will certainly be in a position then to share that and promote that, explain it and defend it to the Members of this Legislature. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. On the issue of the grandfather clause, with the joint committee there was no consensus and in the tried and true history of a good committee it was recommended that they study it some more. My Solomon-like decision, given I suppose the difficult nature of the issue, is the Minister going to be looking at any kind of serious revisions there? There has been some strong concerns voiced by myself and others on this issue of multi-nationals with billion dollar profits being covered under this clause. I am also concerned about companies that say they are northern but, in fact, they hire most of their truck drivers, whatever, from the south where there is the intent of the BIP and the reality of the BIP seem to be considerably different and I think that is an issue that has to be addressed and if the Minister could respond how we could stand up and tell small communities and very small businesses that yes, the CIBC is a good northern, small business because Lord knows, they need every advantage they could get because probably a billion dollars is not enough. They probably would like a billion, two or something. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, we have had extensive discussions about the grandfather provisions of the business incentive policy. We will be having some more discussions with our officials to discuss the exact nature of the concerns and specifically go through the list of parties that are on what you call the grandfather list and see what basis there are for the specific concerns. Based on that, we will be making a decision

on what to recommend to Cabinet. As I said earlier, there is extensive concerns about the grandfather clause and there may be some merit in trying to do something to alleviate the concerns with specific parties that may be listed in the grandfather clause. Whereas others may have no basis whatsoever for concern. So that work will be done with myself and as I say, Mr. Arlooktoo and our officials, before we go to Cabinet. Thank you.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. With my accounts card, can I have one more question? I think Mr. Ningark said five?

CHAIRPERSON (Mrs. Groenewegen):

Unless I have miscounted, I have this down as your fourth. Thank you, Mr. Miltenberger.

MR. MILTENBERGER:

My final question to the Minister - if I could be heard over the eruptions to my right here, does anybody have any antacid? - is regards to compliance. I have been talking to a number of businesses lately and people who deal with BIP and the issue of compliance, which is very complicated and of concern to a lot of Members. It is one that I am not sure how you can address but the more rules you put in, the more adept people or businesses seem to become at finding ways to possibly circumvent them. I am very concerned that even companies that are northern, according to their store signs that they hang over their businesses, in fact, bring in a lot of their labour from the south or that you will go through one or two northern sort-of store operations but in the end it still brings people in from the south but on paper you have complied with your northern requirements. I think that it is a significant issue and I think it is one of the sources of concern when you talk to what I would say are legitimate northern businesses that have their entire operation located in the north and they are competing against that sort of situations of that nature. I do not have an answer, I have more of a question. Does the Minister see a way in this particular review of the BIP of trying to deal with that particular issue? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. There is one option we know, to leave everything as it is. It is true that many businesses find that extremely cumbersome and frustrating having to fill out extensive paperwork to comply with the provisions of the policy at this time. What we have been asked to do is to look for a system where northern local labour, is there some way to ensure that there is some incentive for contractors to use local northern businesses, local and northern labour, employ northern and local people in the carrying out of their contract obligations. How are we going to do it? Again, I cannot tell you at this time, but if I think there is a way to do it that improves on the present while still ensuring that there is heavy (inaudible) and benefits to the contractors for hiring northern and local people and using local services, then we will try to meet that. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Thank you, Mr. Miltenberger. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. I did not have a chance to make my general comments, so I will preface my question with a few general - not a ten minute monologue as Member from the hinterlands is suggesting, but I just wanted to indicate that I do support the business incentive policy. I have talked to some people, not as many as I wanted to. Several people that I did contact did not get back to me after they had time to think about it. The general consensus of the people I spoke to was that the paperwork that is required is too extensive and that tracking this present policy and the rest is a lot of work. I get the feeling that a lot of the people in the larger communities feel that they could do away with it or lower it but that the smaller companies, smaller communities definitely feel that it should remain in place. I am talking about basically, the contracting, construction area. At this point, as I said I do not think it should be done away with. We still do need to assist our businesses to ensure that they remain in business and to assist new companies coming on board to exist and not go under right away. I think that I had a good suggestion from one of the people I spoke to and he indicated that he thought if the BIP remains in

a similar way as it is today which is to give certain percentages over and above southern or people who do not qualify under the BIP to - if we are going to leave it the same, or similar, that only people who pay their income tax or companies that pay their income tax in the Northwest Territories should be eligible for the 15 and 20 percent exemption or if it changes, whatever. I also got the indication that probably people could live with a 5 percent reduction, so that it would be 10 and 15 percent. I also believe that there should be a way to get rid of this extensive paperwork and tracking to include it into that lowered reduction and I would suggest that we could try this for a year and see how it affects our businesses up here. If we are starting to lose contracts to organizations that are not really northern businesses then perhaps put it back to the way it was or whatever. My first question for the Minister is, he had indicated that we had an exemption from the, I believe it was NAFTA, I suppose, from a trade agreement. My question is, what happens if we change the BIP, do we still retain that exemption status?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The policy by definition has to stay intact in its basic outline and if it changes too substantially then it is not going to be the business policy any more. The exemption would be null and void to the internal trade agreement, it will not apply. Again, tinkering with the policy just to see what will happen might have some merit. I suppose you would have to have some substantive reason to go with making changes not just to, for instance, adjust the temperature to see what is going to happen a year down the road. The other suggestions that the Member makes we can take those into consideration. Just to remind Members again, as I said in the beginning, get rid of it, leave it as it is, because there is no overwhelming consensus on what we should do or go forward with some changes to improve and support the development of our economy. The first one is not being considered at this time. The policy will stay in place and, at this time, I am prepared to go forward to the Cabinet with suggested changes and seek support for those changes. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Any further questions, Mr. Erasmus?

MR. ERASMUS:

Thank you, Madam Chair. If the first option is not available then I assume that we only have two options. I am not suggesting that we tinker with this policy similar to tinkering with temperature adjusting, just to see what happens. I am suggesting that we lower it so we can save some money, which is I think, what everybody here is after. This is why I am suggesting we could lower it by five percent and if businesses

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are adversely affected then we can raise it back or half way or whatever. The Minister had indicated in his opening statements that 95 percent of the nearly \$100 million in contracts awarded last year were won by northern firms. What is the criteria for a northern firm so that we know, I guess, what won 95 percent of these contracts?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. Under the business policy, you have to register as a northern business and be listed in order to enjoy the benefits that the policy provides and, as Mr. Gamble indicated earlier, there were many, many instances where there are no southern companies bidding. We have effectively arrived at a situation which I think everybody, I would expect, would applaud, which is in many cases it is only Yellowknife businesses that are bidding on certain jobs. You know, Vancouver is not competing with them, or Edmonton or Calgary or Montreal and I would think that is a plus for the business community of Yellowknife, Hay River or Inuvik for that matter. In that case for instance, 10 Yellowknife companies bid on the same contract. It is a level playing field within the northern business community and there are no bid adjustments. So there is no cost. We enjoy the benefits of having only northern businesses bidding for the contract. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. From the definition that I have heard of this northern businesses then, I am

assuming, this includes the grandfathered companies that we have heard Members talking about earlier?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Yes.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. I cannot by any stretch of the imagination understand how a company like a bank, like the Royal Bank of Canada, made over a billion dollars last year and is firmly entrenched in southern Canada, Toronto and all the rest, how that could be classified as a northern firm? Similarly, I do not understand how Canadian Airlines and other organizations like that can be classified as a northern firm. I guess when we are dealing with things like this, we should get proper information rather than, I know we are talking about the business incentive policy and that, but if we are going to be giving some statement then, I think we should try to actually talk about what a northern firm owned by northerners is, if we are going to classify a firm as northern. Does that, when we are talking about the \$30,000 northern tenders, is that the same definition used for the northern tenders for that \$30,000 in the BIP where if it is under \$30,000, only northern firms can bid? Does that also include the grandfathered firms?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. When the issue of northern ownership came up and it is the definition now that you need to be 51 percent owned to be considered a northern business, but there was also recognition that there are other companies which do not need that provision, which have made substantive commitments to the business community. That is they have invested a considerable amount of money and goodwill in setting up the businesses in the north and that led to the creation of the list that was grandfathered. The list was to recognize the commitment and the contribution that businesses

have made, even though they are not necessarily majority owned or even owned at all by northern people or northern businesses.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Erasmus, do you have a final question?

MR. ERASMUS:

I will give my final question to Seamus.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, then, Mr. Erasmus. I am afraid you cannot do that, we are moving on now to Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Starting with our first question. In your introductory remarks, you stated, in August '94, Cabinet directed the public be consulted, and there was a number of changes that were proposed. I am wondering why has not this gone ahead? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. I understand the first part of the consultation was done, primarily to explain the policy as it was and to listen to the views and comments that the public wanted to advance to the government at that time. The second part of the consultation was devoted to the government coming back with some recommendations and soliciting comments and input from the public in regard to those specific suggestions that were being advanced at that time. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. You have here that the changes proposed were fundamental and it goes on to list them. Is that what you are going to be consulting on or has that happened? Where are we in that process?

CHAIRPERSON (Mrs. Groenewegen):

Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The public consultation was concluded last year and the suggested changes were considered too complicated to advance, so we then brought those back to the Legislature and set up a working group to decide what to do from there. Since then, I arrived back here with the report from that working group with the list of recommendations that I listed on page four and what happens next, after general comments and questions, I hope

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we will conclude so that we can make decisions. In order to make decisions, I need some time to go forward with my suggestions, alongside Mr. Arlooktoo, to my Cabinet colleagues so that we can make a decision on what to do with the business incentive policy. Once that decision is made, then we will announce it and stand before the Members of this Legislature to explain ourselves. Hopefully, to the unanimous applause of all Members. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. On page four and five of your opening remarks, the changes that you would propose to bring forward, are they the ones listed one through seven on page four? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, on page four I listed the recommendations of the working group as it is contained in the report tabled in the Legislature. What I have said is I will take those recommendations that are listed there, as a Minister, consult with my colleague, Mr. Arlooktoo, and together we will decide which recommendations we will be prepared to recommend to Cabinet to act on in regard to the business incentive policy. I cannot be specific. I cannot tell you which ones I will be moving forward with. I can only tell you that all of them are being considered and we will be making our decision as soon as we can. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I raise my concerns, as I stated earlier, that though we seem to be comparing northern companies to southern companies, this is also used northern versus northern.

For example, in my region of Inuvik, last summer I believe it was, a contract was let out and BIP was involved and the company bidding from the region lost out to a company from this area. BIP was involved in that factor. The company further away received more points for local hire. We definitely need to address this. I would hope that would be addressed in a more timely manner than has been to date.

I have stated on many occasions that we have done enough studies to insulate this building, I think this is going to be another one to it. Hopefully, we can get on with this and try and correct some of those problem areas we have, especially when it comes to northern companies versus northern companies.

I think, as we have heard earlier, that we need to somehow be able to rate companies. If they say they are going to hire 20 local people, how do we know that? Is it because we are dealing with the points beforehand? We are rating people before they have to actually do the work. It is easy enough to say they tried to hire 20 people and nobody showed up to work, so they hired 20 people from wherever. Hopefully, we will address this and especially have a look at the way we begin the process. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Was that a question? Perhaps if that was just a comment then we could... Would the Minister like to respond to that comment or should we move on to the next question?

HON. STEPHEN KAKFWI:

Madam Chair, I did indicate to Members earlier, and I am prepared to do it again, that that is one of the recommendations. Recommendation 3 of the working group. Specifically, how are we going to do it? I am not certain, but we will work with our officials to find a way to ensure that wherever possible in an efficient manner that is conducive to good business, to make every effort to devise a system that will ensure that local and northern businesses, local people, will be

hired when our contracts are being carried out. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. We will move on. I will tell you who I have on the list. I have Mr. Henry, Mr. Steen, Mr. Picco, and Mr. O'Brien. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. When we initiated this procurement policy, followed by a BIP, it was set up to protect northern businesses and northern workers from southern workers, and I think the intent of that was very good. I think what has happened now, we are protecting northerners from northerners.

I think it may have some merit if we keep a policy but we have some form or some sense of competition. We are not that big in the Northwest Territories that we need protection from each other. If, by this policy, we are setting up companies in smaller communities, construction companies, and we have cut our construction budget in half, what happens to these companies for the other 10 months of the year? That goes for hotels and all the rest. If we are cutting our budget and there is no exterior construction other than government construction, what are these companies going to be doing that have had the protection of BIP previously? If we accept that there is very little construction in communities, other than government sponsored, what are these companies going to do? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. I do not really want to get into a debate about the policy at this time. We have dragged it around the public on two great processes, we have consulted with Members in the committee. As I said, what are we going to do? That is the question. I cannot really give you the specifics, so it is no use to debate that either. I think we should just move along and let myself and Mr. Arlooktoo do our work so that we can make a decision and then share that with the Members here, so that we can then have a substantive debate about something that is real. Right now we are still on the edge of never-never land. I want to get off that edge and do some service to the work and the concerns that Members have here. Thank you.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Henry, any further questions?

MR. HENRY:

That Minister has told me that he does not have a clue what they are going to do with things that are being set up. The Minister has also told us that he does not know how much this policy costs the government annually. He has told us that it far exceeds the costs. If it far exceeds the costs, what is the cost? How much did it cost us? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Before Mr. Kakfwi responds, may I please caution the Members about being argumentative or casting any dispersions on what the Minister is saying, please, and show some respect. Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you for coming to my defence.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Henry, what was your question?

MR. HENRY:

Madam Chair, Mr. Kakfwi told us that the benefits of the business incentive policy far exceed the costs. So what are the costs? You must have something to be able to equate it to.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The policy has been in place for a number of years. It has been applauded by many Members of our community. Recently, it has become the object of some criticism from certain sectors. We buy it but while we cannot measure and give detailed cost breakdown as to the benefits it has provided, we can point to some very visible changes, positive changes that this policy has brought. On the contrary, the critics have yet to bring any substantive numbers to the argument either that says here are some very clear, substantive, decisive reasons why it

is to the detriment of the north and the people in the communities that this policy is still in place and should be scrapped.

So I stand on the side of small "c" conservatism on this policy, that if it has done well and is still doing some good, then there is reason to keep it in place. It is also the only shield we have in the global environment, at this time, the free-trade environment to protect our northern businesses. That is a very substantive reason to not mess with the universe the way it is unfolding.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. Mr. Kakfwi, in his remarks, talked about the BIP and negotiations with BHP. I am sorry, he talked about the BIP. I am getting my BHPs and BIPs mixed up here. Mr. Kakfwi talked about BHP and on the government delivering a strong stand. How many northern businesses are able to now supply services to BHP? I would like to remind the Minister that companies such as Ryfan Electric, Robinson's Trucking, Clark Builders, Braden Burry, JSL, Hay River companies like Kingland, A & R, MSS and WesClean were all providing services without a business incentive policy, prior to this agreement being negotiated with BHP. I bring this up to make the point that northern businesses can compete. There was no reason for BHP to hire local contractors or northern contractors. I think this demonstrates that these companies on projects, large projects, northern businesses are able to compete and compete successfully. So that is what I am trying to get across. These companies can compete. I think it is insulting to northern businesses to say that you still need protection and we need to spend more money than we have to. I believe they can very successfully compete among themselves.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Was that a question?

MR. HENRY:

Well, I would not mind if the Minister commented on that. If it is designed to, Madam Chair, if it is designed to protect northern businesses, if they are able to compete on this global market that we are competing with in the Northwest Territories, if they are able to compete, why do we need the policy? There was no

business incentive policy applied to these. These are local, northern companies who get off their rear end, they go out and they create business. If they have demonstrated that without a business incentive policy we were still able to compete with companies from the south. Why do we need the policy now? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair. There was no question so I gather the Member's comments as to provoke me into responding and I shall be provoked. It is true, that in this case, there has been no premium. It has been no cost to this government and I applaud all those competitive northern businesses that have built themselves up without any government costs over the years doing business with BHP and other places where their services are required. I have no difficulty with that. My comments that the Member is referring to earlier, just mentioned that, as I recall, in the heat of the discussions with BHP in the summer and fall, there was some members of the public and perhaps this Legislature as I recall, that were ready to drop all conditions and say just let BHP get going with its work because if we continue insisting that our conditions be met, we will lose it all. We have the diamond evaluation facility that this government is insisting and working on right now to try to get the federal government to agree in writing that it will be located in the Northwest Territories. There are initiatives that we are doing to ensure that where possible, northern people will be hired and local labour will be used. Local and northern businesses will be utilized to the greatest extent possible. This policy gives us that assurance. As long as it does that, I would say there is a very strong public interest in keeping it in place. Those companies that do not wish to enjoy the benefits of that, they can voluntarily ask themselves to be struck off the list. We would consider that as well. If Mr. Henry wants to give me a list of those companies that he thinks, based in his constituency in Yellowknife who do not want to enjoy the benefits of BIP, perhaps there is some merit in advancing that list. We could look at it.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Henry.

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MR. HENRY:

Thank you, Madam Chair. I am not sure where Mr. Kakfwi is coming from but I will try to follow it up with him later about being struck off the policy. What I am talking about, Madam Chair, is we both agree that the BIP costs money. Mr. Kakfwi has said that he believes there is value for it. So there is a cost involved. So whether somebody gets stuck off a list, I am not sure what that would achieve. What I am interested in doing is getting a better bang for the buck. Getting more money, getting better value, getting more facilities, stretching the dollar that we have. That is what we need to do here. So that is what I am talking about. Getting better value for the dollar, not whether somebody wants to get struck off a list or not. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The Member said that BIP costs money and I am sure that it does and we are very happy to see them spending their money, hiring northern people, local people, contracting northern and local businesses. I am very happy to see that. Better value for our dollar is reflected in that. BHP could have been a fly-in/fly-out operation, but they knew, well in advance, because of their public relations people, that they were going to have to demonstrate they were going to be good corporate citizens. That they were going to spend their money up here. So they took the initiative and we all the happier for it. "Bang for your buck", I must remind the Member, is not an acceptable phrase, and he should, without great prompting retract that. It is not an acceptable phrase and I thought we agreed last year to refrain from using that in this Legislature. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Okay, thank you, Mr. Kakfwi. Would the Member like to retract that particular phrase that he used in his comments? I kind of wondered about it myself when you said it. As the Chairperson, I understand, in some people's minds, that particular saying has quite a negative connotation.

MR. HENRY:

Madam Chair, thank you. If Mr. Kakfwi is talking about the phrase "bang for the buck", I think that has over

the last number of years, been used numerous times in the media, on the street. It just talks about the value for a dollar. It was coined most of the time around the computer industry. I think that was where I first heard it. I am not sure what the problem is. If Mr. Kakfwi is insulted by that, then I would certainly not want to insult him, so I would retract that, but I am not sure what the concern about that particular phrase is? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Yes, the committee itself dictates what is acceptable and what is unacceptable in the committee and I would have to concur with Mr. Kakfwi that I would take that particular phrase "bang for your buck" to be unacceptable. Mr Picco. Did you have something you wanted to say about this particular thing or are you just waiting for your turn?

MR. PICCO:

Thank you, Madam Chair. I just wanted to comment that last year, I used that phrase and Mr. Kakfwi reminded me of it and I had to apologize for saying that and I thought at that time a standard had been in place, so I accept that Mr. Henry maybe was not aware of my apology last year when it first came up to that effect of "bang for the dollar". Thank you, Mrs. Speaker.

CHAIRPERSON (Mrs. Groenewegen):

Thank you very much, Mr. Picco. Mr. Henry, any further questions?

MR. HENRY:

Not at this time. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. I have Mr. Steen, Mr. Picco, Mr. O'Brien, Mr. Erasmus, and Mr. Krutko. Mr. Steen?

MR. STEEN:

Thank you, Madam Chair. Madam Chair, before I ask my question, I would like to make a comment. The Minister suggested that we need protection. Businesses in the Territories need protection for fear we will be run over by southern firms. On the other hand, we have been telling the federal government that we are grown up now and we are ready for provincial status. I leave that as an open statement. I would like to ask the Minister, would the amendments

if brought forward and accepted by Cabinet, apply to the 1997/98 fiscal year?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. It is my expectation that we conclude fairly soon that we can meet the target of policy in some revisions by Cabinet, hopefully adopted by Cabinet, so we can put it in place for the upcoming year. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Steen?

MR. STEEN:

Madam Chair. Obviously, there are some contracts in place on an ongoing basis that are probably locked in. This government is locked in with the existing bid. I wonder if the Minister could give us a rough estimate as to how many, or what percentage that might be?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The contracts currently in place would not be affected by any changes that we bring forward. It would only apply to new contracts that would be coming out for the current year. I have no figures in response to the Member's question. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Steen?

MR. STEEN:

Madam Chair. The Premier stated last year that hamlets that had taken on contracts for this government have to abide by the BIP. My question to the Minister is, at whose cost? Is it going to be the responsibility of the communities to bear the cost of monitoring the BIP, implementing the BIP and monitoring the contractors?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi?

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HON. STEPHEN KAKFWI:

Thank you, Madam Chair. Whichever department or agency that is handling the contract does the monitoring at this time. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Steen?

MR. STEEN:

Madam Chair, I hate to throw another question away here. Is he suggesting that the hamlets are responsible?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Do you want to maybe backtrack to your other question, Mr. Steen and just clarify the question? Thank you.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, I believe that there was a question in the House last year addressed to the Premier as to whether or not communities who received block funding or who take on full authority contracts for this government. The question to the Premier was, "Are they required to abide by the BIP when tendering these types of contracts?" and the answer from the Premier was, "Yes". Now my question was this, "Who would bear the cost of monitoring these contracts if the hamlets tender the contracts and have to abide by the BIP? Do the hamlets have to abide and monitor the contractor to see that he abides by the BIP?"

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen for that clarification. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Madam Chair, it is a bit hypothetical. The business incentive policy only applies to the Government of the Northwest Territories. Where a hamlet might provide the contract on behalf of the government, yes it would be the hamlet that has to monitor to ensure that whomever they have contracted complies with the requirements of the business incentive policy.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Minister. Mr. Steen?

MR. STEEN:

Thank you, Madam Chair. I understand the Minister to say that it is the responsibility of the hamlets to monitor and ensure that the contractors comply with the BIP. Therefore, my question is where does this funding come from so that they can have personnel hired to monitor the contractor?

CHAIRPERSON (Mrs. Groenewegen):

Mr. Steen?

MR. STEEN:

Obviously, Madam Chair, the government has said it takes X-number of staff from their departments in order to monitor the contracts for the BIP. My question is, where are the hamlets going to get staff to monitor the BIP?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Madam Chair, where the majority of funds used in a contract is GNWT money, then whatever agency is contracting has the responsibility of monitoring that contract to ensure that it complies with the business incentive policy.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Steen?

MR. STEEN:

Madam Chair, just my final question, which is more an observation than a question... I know that the most recent addition to the grandfather clause is November 28th, 1996. That was probably happening while the committee was reviewing the BIP and the list of grandfathers, so obviously this list continues to grow, Mr. Minister.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

I do not have the specifics of that, Madam Chair. I cannot provide that to the Member.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Next, I have Mr. Picco.

MR. PICCO:

Thank you. I can see that we are running out of time, Madam Chair. I just want to make a couple of questions to the Minister on tightening up what is deemed northern, what is eligible under the BIP? I do have some strong concerns when we allow multinationals and extraterritorial companies to be included under the BIPs. My question would be to the Minister. I know this has come up. Are we looking at it as a government to somehow limit these multinationals and extraterritorial companies as inclusive under the Business Incentive Program?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Madam Chair. Yes, as recommended by the working group, this grandfather clause will be subject to further review by myself and officials and will be a consideration when we go to Cabinet. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Picco?

MR. PICCO:

Thank you, Madam Chair. My question would be then to the Minister. When we say we are going to look at it under review, what is the basis that you are going to look at these companies? Are you going to say, for example, that they have revenue over \$5 million, and they would not be on there? Are you going to look at where the head office is located? Are you going to find out whether they are paying income or corporate tax? I mean when we say we are going to look at it, to tighten it up, what are the parameters that you are going to look at to ensure that these multinationals and these extra-territorial companies have been deemed not grandfathered under the BIP? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Every time you say extra-territorial I think you are going to say extraterrestrial. I have never heard companies from outside the territories referred to as "extra-territorial". Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. Of course we would consider it in the context, whether there is any benefit to having such a thing as a grandfather clause and

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to having specific companies and businesses listed within that grandfather clause. Is there any benefit to the northern business community? Is there any benefit to local and business people whether there is any benefits to local and northern employment? If it shows listing them or having such a list is to the detriment, again of those same considerations, then that is what generally what we will use to make a decision.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Picco?

MR. PICCO:

The problem I see with that is, let us say we use a bank. The bank hires its staff from the local community. The local staff live in the local community, they buy in the local community. So looking at those kind of broad strokes, strokes the Minister is talking about, a bank, for example that is now grandfathered, could still be considered in place under the grandfather clause. So I am saying, we need some stronger, tighter parameters to look at. So, for example, could we look at that if it is an extra-territorial, (we learned something new, Madam Chair), so an extra-territorial company or multinational, you could look at, for example, if the head office is located in a certain location and the majority of the shareholders are in the south, for example. Maybe any company that is working in the north that is based south of 60 should be outside, or whatever, that there should be something included in it. I noticed by the clock Madam Chair that we are running out of time. I think I will move at this time a motion that we extend sitting until we conclude this matter and I would also ask, and bear with me, Madam Chair, that Mr. Kakfwi will come back with my answer to my earlier question on what type of strict parameters we can put in there to take care of the multinationals and the extra-territorial companies. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Picco has put a motion on the floor. The motion is in order. All those in favour of extending sitting hours until this matter is deal with

please signify with a raised hand? All those opposed? Motion is carried. We will extend sitting hours to concluded this matter. Thank you, Mr. Picco for your question. Mr. Kakfwi?

HON. STEPHEN KAKFWI:

Madam Chair. There has been, as I have said earlier, extensive discussion about this policy in previous years. It started over two years ago. We have had the benefit of comments and advice and input from members all across our communities and our businesses communities, some very learned people, some very insightful people, and I appreciate what the Member is saying. For instance, it may be a way to consider, I cannot say at this time. For instance, where there are two competing businesses and one is clearly northern owned 100 percent and one is not, but both have equal investment in real dollars in a particular community, should one be given special consideration? I cannot say at this time, I can only say that it has been advanced by some people to be considered. It is just difficult to give Members any more assurances than to say we set up a working group, there are recommendations listed there, and those recommendations and perhaps even others that may not be listed at this time will be considered in the development of our recommendations or list of recommendations that we will bring to Cabinet.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Picco.

MR. PICCO:

Thank you, Madam Chair. Moving off that and to give someone else a chance to bring up that area, I would like to ask a couple of questions on the standing orders and the manufacturing policy.

In my region we have some manufacturers, but they cannot compete east/west. For example, if the manufacturer in my community builds windows, to ship them to other communities he has to ship them from Iqaluit, for example, down to Montreal where they have to be re-crated, and then come back up on the sealift, to be shipped to other communities. Whereas, in the west, the windows could be shipped by, let us say from Hay River or Yellowknife or anyone on the road system, down to Edmonton and across the country, which I talked about earlier before.

There has been something put into place to address this area, where the standing orders or the manufacturing policy, are based territorial-wide. They should be based regionally. I am wondering if the Minister has looked at this? I know there is some note of it in the report, but my question to the Minister is, will we look more in-depth at the manufacturing policy and the standing orders to base them regionally, as opposed to territorial-wide?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. One of the recommendations that the working group made was to consider the northern manufacturing directive and to rationalize its application and the proposed incentive rates. That is a specific recommendation made that speaks to the point that the Members has raised. We have that from the working group to deal with and I have said that all these recommendations that are listed now will be given some very serious consideration and it will help us make our decisions on what to advance to Cabinet to help make its decision. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Final question, Mr. Picco.

MR. PICCO:

Thank you. I realize that that was in the report because I did read it. My point was that the committee recommended it, but when we apply your checks and balances here on this policy, I want to make sure that the Minister is aware and that his departmental officials are aware that there will be great lobbying from different areas of the territories that have benefited from this policy. Whereas, you might have a small manufacturer, for example in my area, which may not have the same input.

I would say to you and say to this House that this standing policy, at the present time, is costing this government a lot of money. An example I can give you is with furniture, where in one of our government buildings, a table was broken and instead of having to go to the Bay and spend a \$150 to buy the table, we had to purchase it from somewhere in the western Arctic. To get the table to Iqaluit, it had to be shipped

down to Edmonton, flown across to Montreal, and then up. What is the cost for paying for this?

My question to the Minister would be, that when he is taking the recommendation forward, is to look at the cost. Can the Minister tell me if his officials or himself can give me a cost, at this time, of what that directive is costing this government, on a price comparison basis?

I think if we would address this area, we might be able to free up some of the millions of dollars that we are trying to cut now and to help Delta House or to help the senior citizens or whatever. I think it is a very legitimate point. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. That is a very detailed question and it calls for a very detailed answer, but I will let the Minister respond. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, on standing offers, as we call them, if there are arrangements where we are incurring great cost in order to do business only with specific parties, then certainly that is a cause for concern. If there are specific instances where these are occurring, then I am sure that the department responsible will be anxious to know of it so that we can address it. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. I have on the list now Mr. O'Brien, Mr. Erasmus, Mr. Krutko. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Madam Chair. My question is more on the process. At this point the Minister indicated that he would take and review this with the Minister of Housing and then take the results of the review back to Cabinet. What is the timing on this? When can we expect to get some confirmation as far as what the outcome is, and also, will the Ordinary Members have any further input in the final results? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. O'Brien. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, I would hope that I could have it dealt with in Cabinet within a month. That should not suggest that it would be a final decision. It would come out, for instance, that the Cabinet maybe will send me scurrying back for more specific information or, yet again, other suggestions to be considered before a final decision would be made. I am prepared to go to Cabinet as quickly as I can, as soon as I can get prepared with my arguments and my rationale for the recommendations that I am going to advance to Cabinet. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Madam Chair. The second part of my question was, as part of the process, will the Ordinary Members have any further opportunity for input into the final decisions and the final results of your recommendations to Cabinet and the final outcome of the policy? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. O'Brien. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, the Ordinary Members always have a say. They have a say while we are formulating our thoughts, they have a say while we are formulating what we think we would like to suggest. They have a say while we are articulating what our suggestions are, recommendations on courses of action. They have a say after our final decisions are made, in the sense that if they really, really do not like it, they can make heads roll. They can force the government to reconsider decisions it made, but they should not throw the fear of God into us that we would never make decisions.

I am going on the positive energy of Mr. Seamus Henry and other good colleagues. I think that with all the input that we have received recently that I am in a position where I can come out looking fairly well informed, fairly well supported, with some decision out of Cabinet. That is what I am hoping for. I do not want to surprise anybody. Certainly, I do not want to be surprised with the reception I receive. There is not going to be any surprises. As I have said, as the Member knows, we have had some good discussions. It is hard to achieve clear and precise consensus on any point, but we have some general agreement on a

number of areas that need to be addressed and we have some general parameters that, I think tell us how and what should be considered when we consider possible amendments to this policy. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Third question, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Madam Chair. I just want to assure the Minister that I did not think for a moment, not one single moment, that he would come back with any surprises after all the discussion and opportunity that we had to go over this issue. I just really wanted to hear him say that. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. O'Brien. Moving on, Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. In the Minister's opening address he indicated that 95 percent of the nearly \$100 million in contract awards last year were won by northern firms. Then a little while ago he indicated to me, when I questioned him, that his northern firms includes the grandfathered companies. What I would like to know is, what percent of the contracts were awarded to the grandfathered companies?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, I do not have that available, but I would be pleased to provide that to the Member, all Members, since it is a good question.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Erasmus.

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MR. ERASMUS:

Thank you, Madam Chair. At the same time, would the Minister be kind enough to indicate the amount of dollars that is involved with those grandfathered companies? The amount of dollars that the contracts they received totalled?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Yes.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. How soon can we expect to receive this information?

CHAIRPERSON (Mrs. Groenewegen):

Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, I would venture a guess that it would be about a week. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Regarding some recommendations and discussions in this House, these recommendations are, I believe, straightforward and they have had a lot of debate in this House. I believe they are workable, and with regards to amending the BIP to ensure that some of these recommendations are put forward, I would like to ask the Minister how soon can he make these and when can he get back to the House on the amendments?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. I should let Members know that I am not trying to be evasive about my very generic responses. If I am, there is two reasons for it. One, I am not, at this point, very specific in exactly what it is I am going to go forward to Cabinet with. Secondly, even if I was, I do not want to prejudice myself or the Cabinet by indicating to Members exactly what it is that I am personally recommending. It would offend the solidarity of Cabinet, because if I

come out with 10 commandments, when I only walk in there with two, it is Cabinet that is going to suffer the indignation of Members here. That is the reason for it. As I said, it is decision time. I am prepared to make the decision. At that time, Members can respond with their comments and indicate whether they are going to applaud, as I wish they would, with the decisions that we are going to make as a Cabinet. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Any further questions, Mr. Krutko? No. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Madam Chair. I think, as the Minister indicated, that we have been around the circle a few times with this over the last three years. I think the recommendations that were put forth by the committee are worthy of consideration and, hopefully, affirmation by the Cabinet. With that I would like to make a motion, if I may?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, go ahead Mr. O'Brien.

MR. O'BRIEN:

I move that this committee recommend that the Executive Council in considering any revisions to the business incentive policy, take into consideration the recommendations contained in Tabled Document 20-13(4) entitled: Report on the Joint Working Group on the Business Incentive Policy. Thank you, Madam Chair. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. We are just going to give the Pages an opportunity to circulate the motion and the translation so just bear with us for one moment here, please.

It is moved by Mr. O'Brien that this committee recommends that the Executive Council in considering any revisions to the business incentive policy, take into consideration the recommendations contained in Tabled Document 20-13(4) entitled: Report of the Joint Working Group on the Business Incentive Policy. The motion is in order. To the motion. Mr. Steen.

MR. STEEN:

Madam Chair, I have a couple of concerns in regards to this motion. It does not address what we are going to do with the grandfather clause. It does not address the percentage because the recommendations from the committee, of which I was a Member, was that those two items be taken back to the full Caucus for consideration. Cabinet is going to have no direction as to what to do with those two particular items.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. To the motion. Committee is ready for the question. All those in favour of the motion. All those opposed. The motion is carried.

Are there any further questions or comments on the document? Mr. Ootes. Mr. Ootes, I am sorry, they did not have the microphone on. Could you please repeat that, Mr. Ootes.

MR. OOTES:

Does the committee agree that Tabled Document 20-13(4) is concluded?

SOME HON. MEMBERS:

Agreed.

CHAIRPERSON (Mrs. Groenewegen):

Agreed. The committee is agreed. Thank you. We will now rise and report progress. Thank you, Mr. Kakwi. Thank you, Mr. Doan and Mr. Gamble.

MR. SPEAKER:

The House will come back to order. We are on reports of committee of the whole. Mrs. Groenewegen.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Tabled Document 20-13(4) and would like to report progress with one motion being adopted and that Tabled Document 20-13(4) is concluded and, Mr. Speaker, I move that the report of the

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committee of the whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Seconded by Mr. Dent. The motion is in order. To the motion. Question is being called. All those in favour. All those opposed. 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):

Mr. Speaker, the meeting of the Ordinary Members' Caucus at 9 a.m. tomorrow, and of the Nunavut Caucus at 12 noon.

Orders of the day for Wednesday, February 12, 1997:

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 Motion for First Reading of Bills
16. Motions - Motion 11
17. First Reading of Bills - Bills No. 10 and No. 11
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 8, Appropriation Act, 1997-98

- Committee Report 2-13(4), Standing
Committee on Government

Operations, Report on the 1997/98 Main
Estimates

- Committee Report 3-13(4), Standing
Committee on Infrastructure

Report on 1997/98 Main Estimates

- Committee Report 4-13(4), Standing
Committee on Resource

Management and Development, Report on
the 1997/98 Main Estimates

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

MR. SPEAKER:

Thank you, Mr. Clerk. By the authority given the Speaker by Motion 3-13(4), and after consultation with the Government House Leader, co-chairs of Caucus, and the chair and deputy chair of the Ordinary Members' Caucus, I hereby set the sitting hours effective February the 12th through March the 6th, 1997, as follows:

Mondays, Wednesdays and Fridays at 10:30 a.m. to 12 noon and from 1:30 p.m. to 6:00 p.m. Tuesdays and Thursdays at 1:30 p.m. to 6:00 p.m. This House stands adjourned to Wednesday, February 12, 1997 at 10:30 a.m.

-- ADJOURNMENT