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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, Honourable Samuel Gargan, Mrs. Groenewegen, 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.

**MR. SPEAKER:**

Thank you, Mr. Roland. Good morning, Members. Orders of the day. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Picco.

**ITEM 3: MEMBERS' STATEMENTS**

Member's Statement On Recollections of Al Woodhouse

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, yesterday Mr. Dent announced the Al Woodhouse Memorial Bursary. Mr. Woodhouse and I were friends for several years as board members with community futures. In 1992, when I became manager of the Baffin Business Development Centre, Mr. Woodhouse was the person who signed my cheques. Mr. Speaker, Al had a very developed sense of humour. In 1990, Al and I, along with several Northerners were in Calgary for the Federal Liberal Leadership Convention. It was at that convention we elected John Chretien leader of the Federal Liberal Party. Al and I pulled off a classic joke on Mr. Todd. That story will have to be told at another time.

Al Woodhouse and I travelled at various times to most Baffin communities and some southern locales with community futures. One memorable trip we made was to Pang. Flying into Pang, the weather was getting stormy and the plane was bouncing around pretty good. Al knew that I did not like flying at the best of

times and came to sit next to me. Al went on to tell me that if the plane went down, the best place to be was at the back of the plane. The only problem being we were sitting as far front on the plane as you could probably get. Al knew that and had a good laugh. Mr. Speaker, Al Woodhouse was well known all over Nunavut for his balloon figures, which he would make for the children. Anytime Al saw me with my kids, he always remembered their names and used to do little tricks with balloons for them. Mr. Speaker, Al Woodhouse was a co-worker and a friend, and I congratulate Nunavut Arctic College and the Iqaluit Rotary Club on their bursary that Mr. Dent announced yesterday. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you, Mr. Speaker. Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Ningark.

**ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY**

**MR. NINGARK:**

Thank you, Mr. Speaker. Good morning. I would like to recognize in the public gallery, Tom Suvissak from Pelly Bay.

--Applause

**MR. SPEAKER:**

Good morning and welcome to the Assembly. Recognition of visitors in the gallery. Item 6, oral questions. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees for the review of bills. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motions for the 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. Bills 2, 7, 8, 9, 10, 12; Committee Report 2, 3, 4, and 6 with Mr. Ningark in the chair.

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

**CHAIRMAN (Mr. Ningark):**

Thank you, good morning. I would like to call the committee to order. We have a number of items for the committee. Item 19. What is the wish of the committee? Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. That we consider Bill 8, Committee Reports 2, 3, 4 and 6 concurrently and continue with the Department of Municipal and Community Affairs.

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we have the concurrence with the committee that we shall do as the chairman of the OMC indicated to us? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are on page 4-16, 1997/98 main estimates. I would like to ask the honourable Minister if you wish to bring in the witnesses.

**HON. MANITOK THOMPSON:**

Thank you, I will, Mr. Chair.

Page 986

**CHAIRMAN (Mr. Ningark):**

Thank you. Sergeant-at-Arms, seat the witnesses please. Thank you. For the record, Madam Minister, would you please introduce the witnesses to the committee?

**HON. MANITOK THOMPSON:**

Sorry, I did not hear you.

**CHAIRMAN (Mr. Ningark):**

Madam Minister, would you please introduce the witnesses to the committee?

**HON. MANITOK THOMPSON:**

Yes, Mr. Chair. I have to my left, Penny Ballantyne, deputy minister for MACA and to my right is Vern Christensen, ADM for MACA. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you, welcome to the committee. We are reviewing the 1997/98 main estimates of Municipal and Community Affairs, page 4-16, community development, operations and maintenance. Total operations and maintenance is \$61,622,000. Agreed? Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. Yesterday we spoke about communication with communities and the Minister spoke about 79 presentations being made regarding community empowerment. Could the Minister clarify that some more for me? Were these presentations made directly to community representatives or were they with territorial government staff that are involved with community empowerment and perhaps other territorial staff? My concern, Mr. Chairman, is the level of communication that is taking place with community leaders. The amount of communication that is taking place with them. My concern being that community people really understand what is being offered and the programs available, not only the implications of what is happening with regard to community empowerment.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. We have done presentations mostly to counsellors, but we also have done presentations to band members, to Metis councils and to the public. We have also done presentations to regional leadership meetings and we have done presentations to just about every organization that involves communities. I have also done radio programs in Inuktitut for the eastern Arctic. The communities know what has been happening with community empowerment since we took the lead in MACA. We have done community presentations through all different kinds of agencies. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Mr. Chairman, in Yellowknife, the city leaders have taken the initiative to conduct future focus meetings with specific target groups, the seniors, youth, people interested in mining development and business

people. The idea being these individuals have the opportunity to provide input to the community leaders as to their feelings about the takeover of services, so the leadership becomes more educated. I have attended several of them and they used a facilitator to conduct these meetings. The leadership finds these extremely helpful because it gives them the feel of what people really want. The people of our community have future-focus types of meetings with the use of a facilitator being held in communities throughout the north. So, it is not the government staff just making presentations to community leaders, but the community itself has the opportunity to discuss this in some detail and with some understanding, so there is not a forced-feeding of information. In other words, it is coming from the community itself.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. I will ask Mrs. Ballantyne to do a detailed information to the Member. We have been doing information presentations to communities through our co-ordinators in each region. Those have gone well. Those were just to introduce the package. Of course, we would have facilitators for these communities. I will get Penny to elaborate on that.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the Minister and I did attend a future focus session with the city of Yellowknife in the fall. The full presentation on community empowerment was given at that time. In addition, the stepping forward community planning process, the binder of booklets which have been distributed to all MLAs, sets forth a community-based planning process which is very much along the lines of the future-focus concept. It includes facilitated meetings that are provided either by trained staff or by staff that the community already has in place who are able to conduct such meetings. It is very much in agreement with the kind of approach the Member is describing. Very much in line with the community-based planning approach. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Thank you. Thank you for that explanation and clarification. In the case of the Keewatin, the community airports have been transferred to the communities. I am wondering what sort of discussions have taken place with community leaders in regard to the legal implications of this, the availability of finances and labour relations? Have all those areas been discussed with those communities that are taking over airports, for example? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. There will be a Keewatin leadership meeting on the 17th to the 24th of this month, where we will address these issues to the leadership. Nothing has been transferred yet to the communities until all these issues the Member has brought forward have been discussed or addressed with the leadership. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. Yesterday, Mr. Roland spoke about the concern of building infrastructure and facilities in communities, but there has not been an addressing of how these facilities in the future will be maintained, in other words the operating cost of these. We seem to have a capital plan, and that community needs a recreational centre, that

Page 987

community needs a rink, that community needs this or that, but are we addressing the whole O and M question for the communities because at some point we are cutting down the O and M cost. Can the communities be assured they will have the access and availability of funds to maintain these facilities for a long time?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. Yes, forced growth is calculated every year for new projects. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. We may have good intentions here, but has a survey been done with the communities? Have we analyzed what these communities need? In other words, we have 52 communities, have we identified that they can continue to maintain the infrastructure they have in these communities? Has a survey been done on that?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. I will get Vern Christensen to answer the Member.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. In each annual planning cycle, the department does look at the O and M costs of new infrastructure. When we fund through our O and M estimates, we have incorporated costs of operating new facilities. Based on our funding formula for communities, this whole area is also going to be the subject of the municipal financing review the department is proposing in the coming year, in which we are going to be examining the whole financial relationship of the department with communities, part of which is related to the ongoing operations and maintenance of their infrastructure and the municipal programs that they deliver.

As Mrs. Ballantyne mentioned yesterday, the future funding for ongoing activities with communities is subject to annual review and guarantees are not there for future years, but for the current year the funding is available. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development, I have Mr. Krutko. Thank you.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is to the Minister in relation to the community negotiating process that is going on in Aklavik, regarding comments made in the House about Liz McPherson. There is a letter sent to the Premier, January 23rd, from the chairman of the Aklavik Aboriginal Committee, Charlie Furlong, and it clearly states Mr. Furlong was advised by Liz McPherson that the regional superintendent of MACA Inuvik is not cooperating in allowing her to participate effectively in the community empowerment activities. If the superintendents are not following this process, because they are the ones that make the ultimate decision in the Inuvik region, how can this process be conducted in a way that is manageable and allows the individuals who have been given the responsibility to oversee, as a co-ordinator of rights in Inuvik region, Ms. McPherson, yet the superintendents are not cooperating? If this process is suppose to be simplified is allowed to proceed. Have the regional superintendents been given warning that this is a priority of this government?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. I am aware of that letter and I am also aware that this matter has been dealt with. There was a bit of a misunderstanding in that area. I will get Penny to give you more details on that. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Just to add that I have spoken to all parties concerned on this matter. I believe it is cleared up now and I do not anticipate there will be any problems in the future. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. There is a problem in the future with the regional superintendent. What is the

process to either move them, transfer them, or replace them with someone who is more resourceful and co-operative with communities?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. The staff in Inuvik is very capable and I have every confidence in the superintendent who is up there. This was just an internal matter and there was a misunderstanding. This has been dealt with already and I am sure there will not be any more problems with it in the future. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have Mr. Krutko and Mr. Steen. Mr. Krutko.

**MR. KRUTKO:**

I think between one letter that goes to a Premier from a leader of a community dealing with a matter such as this, this is just one letter. Suppose there is another letter that comes down the road in six months. What is the process to deal with it then? You are saying it will never happen again. It has already happened. I do not think we can say never is never. It can happen. What is the process to deal with it?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. Can the Member clarify if there were any other previous letters concerning this? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Mackenzie Delta, Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I do not believe I was referring to any other letter. I was referring to this

particular letter and the instance that has happened in regards to it happening again. What do you do in that context? You say it will never happen again. You want letters, I can probably dig around and I will find something, but that was not the question that I had asked. I do not believe she answered my first question.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. This incident has been dealt with and I also mentioned that it was an internal matter. I have every confidence in the superintendent in Inuvik and this will not be happening again. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the whole question of the letter, there was a letter sent to the Minister by the chief of Tsiigehtchic, Morris Blake, January 22, regarding the \$7200 that was taken back from the water and sewage subsidy. What has been done in regard to that?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Krutko, for referring to the budget. Thank you. Ms. Madam Minister.

**HON. MANITOK THOMPSON:**

I will get Mr. Vern Christensen to answer that. I do not have all the details right here. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. The response to the letter from Tsiigehtchic is just about ready to be sent, but why it has taken this time to prepare the response is that the issue related to certain expenditures, which had not been recorded, to the water sewer cost in the financial audit that was completed at the end of the last fiscal year. There was an appeal being made that certain expenses should actually be recorded, that had not

been recorded, which affected the amount of the money that was to be recovered from the hamlet for the water sewer surplus that had been accumulated. That issue has now been sorted out between the hamlet and their auditors. A response should be coming very shortly. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. The final supplementary, Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to Tsiigehtchic, which is getting the least amount in regard to capital expenditures this year, I believe they are getting \$48,000, about \$30,000 to do some road work, and I believe \$13 or \$18,000 to upgrade a ball field or something. Yet, they were supposedly going to be allocated almost \$400,000 the previous budget. Why has it been such a cut in regards to the amounts they were previously allocated versus what they are today. Why is not the allocation being fairly distributed across the board, because they are receiving the lowest amount of capital in regards to the whole territory of \$48,000 compared to every one else which is within the hundreds of thousands of dollars.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chair. The Member is not right when he says we have not been fair to the community. There are ups and downs all over the country and this particular community has had their ups already and they are unfortunately in their down side right now. That is just the way of the capital planning process. It goes up and down and they have had their ups already. With our capital planning process, we cannot meet every communities expectation every year. It goes in a zig zag pattern so that we can balance it across the territories. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam Minister. Community development, Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, the Member for Yellowknife Central, Mr. Ootes, was asking questions on O and M costs for municipal buildings. I

would like to know if the Minister could inform the committee as to how this O and M cost addresses arenas. This is in relation to the fact that Paulatuk had no money for them to run their arena after it was built. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

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

**CHAIRMAN (Mr. Ningark):**

Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. In the case of the Paulatuk arena, funding had not been put in to the forced growth component of our operations and maintenance budget for this past fiscal year. However, the arena was completed before this fiscal year ended. So, in the course of our quarterly operations and maintenance review, we have put in funding for operations and maintenance so the hamlet can pay for the operations and maintenance costs for the arena for the remainder of this fiscal year. It has been built into the forced growth for the funding of the next fiscal year. That is how we have adjusted for the Paulatuk arena project.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, this formula that is used to fund these arenas, are the communities required to raise any of this funding on their own or is there sufficient funding for the arena?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I am sorry, we did not hear the question. It was too quiet. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Mr. Chairman, the formula that is being used to fund these arenas, is there sufficient funding in place for the communities to fund the arena for the whole year or are they required to raise some of the funding themselves?

Page 989

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam Minister. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The funding relies on the community raising some funding for itself. Usually this is done through the operations of their concession as part of the arena operation but there is an expectation there would be some local fund-raising related to the operations of the arena facility. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. My third question is about community funding. Communities are being funded under the federal infrastructure program. I understand the territorial government funds this at a 50 percent ratio. Once the infrastructure is in place, is this government required to supply the communities with the O and M funding for its infrastructure?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Steen. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Mr. Christensen will answer the question.

**CHAIRMAN (Mr. Ningark):**

Mr. Christensen.

**MR. CHRISTENSEN:**

One of the criteria that has been used by the Infrastructure Management Committee has been

there has been some demonstration by the applicant for the funding that the operations and maintenance funding is in place, so once the infrastructure is built, it will continue to be maintained and operated to get a useful life out of the facility. In every instance, it may not be the Government of the Northwest Territories' responsibility. Before the infrastructure is built, pursuant to or in line with our own program standards and criteria, we would endeavour to ensure that our share of the operations and maintenance funding is built into the operating contributions we give to communities. Not every facility that is built under that program would become the operations and maintenance responsibility for funding by the territorial government. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. The department has shown a 5 percent reduction across the board for O and M funding for communities. In some communities that represents one PY. How does the department expect these communities to take on these programs from the other departments through community empowerment, if in fact they do not have funding to pay these people to implement the programs? Is there going to be funding for the PYs that come with the program transfers?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you Mr. Chairman. They will have to change the way they do business in the communities. I will get Penny to get more information to the Member. The communities that are empowered will have to do business differently. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, part of the community assessment process involves looking at how the community is operating the programs and services it has now. Part of the benefit of doing that assessment is sometimes we can identify with the



community where they can save some money through efficiencies or changing the way they deliver or operate a service. It is our intention to assist the communities to better manage the resources they have. No doubt in some communities this will mean some changes in the way they operate. It is consistent with what is going right across the country and in government as well. We do see our role in MACA as being there to work with the communities, to help them find those deficiencies and to minimize the impact of those reductions. Thank you Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development, final supplementary, Mr. Steen.

**MR. STEEN:**

Mr. Chairman, half of the question was, will funding be supplied to the communities in the form of operating funding if they do in fact take on programs which require more PYs in that community? In other words, I have a concern for more than my communities that they would consider taking on an income support program, but the funding identified for that program is only for half a PY. If the government was to do it, they would have to put in a full PY. Why should the community to be asked to do it for half of a PY?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. With the transfers that we have done, if a program is transferred to a community, it comes with the PY. If the PY was half before we transferred it to the municipal government or the local government, then it is half. What was is what is transferred over to the municipal government. If it was a full PY, then it gets transferred over with the program. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are reviewing the 1997/98 main estimates of the Department of Municipal and Community Affairs. I have Members who have not spoken at this time, Mr. Miltenberger, Mr. Picco, Mr. Krutko and Mr. Ootes. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. Could the Minister indicate if there are any criteria for communities when they reach a certain size? Are they encouraged to become tax-based or is that the option of the community?

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam Minister. Mrs. Ballantyne. Thank you.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the simple answer is no, it is not tied to population. It is tied more to the amount of development in the community and the potential for a tax base to exist in the community. Thank you.

Page 990

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. If there is no criteria, communities that are regional centres have the option? When I look at the list that I have before me, I have a 5.4 percent reduction by community. It is very clear that the non-tax base communities get a larger amount of money from the territorial government directly. I can pick an example out of the list that was provided by the Minister to one of the Members. One that stands out is Tuktoyaktuk receives over a million dollars and Inuvik receives \$400,000. If we are talking about empowerment, community government, what is the incentive for people to become tax-based when it seems to me there is a reverse of incentive? Let us throw ourselves into the warm, comforting bosom of the territorial government and they will fund us, rather than having to pay municipal taxes. There seems to be no incentive for communities to become self-sufficient and control their funding and become tax-based because in this area and in educational taxes and property taxes, there is a huge disparity. How do we make that move?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. There are concerns that have been raised many times by the Infrastructure Committee and by other Members. It is a good question. We are doing municipal financing reviews right now. This is one of the issues which will be dealt with in the municipal financing review. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. Is one of the criteria or objectives of the review to come up with a way to encourage larger centres? If you look at Rankin Inlet, with a fairly strong economy on a comparative basis, they get over a million dollars a year. Is one of the criteria going to be to try to come up with a process that equalizes the resource distribution?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The municipal financing review includes a community's ability to pay classification currently in use in our funding formula and this will be considered in the municipal financing review.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Thebacha, Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. As part of this review, will there be criteria developed as well for all communities that receive funding? Will it indicate clearly at what size the community would be eligible for things like curling rinks, arenas, and community halls? It addresses a concern that has been raised by some of the Members that we put an infrastructure in communities that have no way of being able to support the O and M costs. If there is no economic base in a community, can we afford to put in arenas as opposed to upgrading health centres or building schools and that kind of criteria? The concern I have is that we have created a very high level of expectation from all communities as to what they require or should be eligible for, regardless of what

their size is. To me, it is simply unaffordable. We have to look at prioritizing. Communities should know that if there are only 200 people, the chances of them getting a full recreational complex are going to be fairly remote. We have to focus on nursing stations and schools, the core services. Will that be part of the review?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We already have a capital standards and criteria formula that we use and those have already been addressed in the department. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. The issue came up last year about the standards for communities. There were questions raised about \$800,000 or so spent in a small community in Minister Antoine's riding. Is there a clear understanding about what you are eligible for as a community? I do not know if that is very clear, because it came up around this table and it was discussed at some length. Have these standards been put in place since last time or have those been in place for some time?

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. These standards and criteria have been in place for some time. I will ask Mr. Vern Christensen to answer the Member in that area. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. The assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The standards and criteria have been in place for some time. We did a review of the standards and criteria about two or three years

ago, in which we did adjust some of the population criteria related to certain infrastructure. These standards and criteria are well known to communities. The one area that will be subject to review as part of the municipal financing review, will be the issue of the ability to contribute. That has been an area where there has been some concern raised and that is a specific area relating to our standards and criteria that our municipal capital assistance program will be focusing most of our attention on trying to determine a fair way to calculate what should be the contribution the communities are making financially to the projects. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman and good morning. Mr. Chairman, one of the major concerns that we have had and still have with community empowerment is the liability issue. It has come up over the past couple of weeks in the House. The liability issue is the transfer of the liability from the government to the community in the community empowerment transfer in the agreements. There has been some discussion at different levels with what liabilities have been transferred. I wonder if

Page 991

the Minister has an update on this, because I understand there are some communities that are looking at this and that it is a concern, especially on the cost associated with the liabilities that are being transferred within the community empowerment context. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Picco. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We are still reviewing the questions that were raised by the Members in this House and the department is working on it. There has not been a concern from the communities on this liability issue. The Members have been raising it. We are reviewing it and we will get back to the Member, as I said before. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

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

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, as Members we have to raise issues that come to our attention. Sometimes they come to us indirectly or directly. Over the past 14 months, starting off with the test of Cape Dorset on community empowerment, we have had a chance to evaluate it. Fourteen months ago this liability issue was there and I know it has come forward. The department is working on it and I thank them for that. I think it points out that once we get into this process of transferring programs and services, income support, to communities, we still have to make sure that the communities have the needed logistic information, so they can make the decisions to take on or not take on the programs. I wonder if the Minister or the departmental officials could tell us, has there been further updates to this information being distributed to the communities?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have staff that visit the communities in all the regions on an individual basis and if there is a problem, we hear about it first hand from our superintendents. Unless the issue has not been raised through the municipal governments, then it is raised through the Member, I guess. We have not had any serious concerns from the communities themselves. We have staff travelling to those communities all the time and ongoing visits with the mayors and also the counsellors. I will get my deputy minister to answer the specifics of that question. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, in response to the concerns that were raised in the House earlier this session, the department has been reviewing the community transfer agreements that have been completed to-date, to try to identify whether there inadvertently have been any liabilities transferred that should not have been transferred. So far, we have not uncovered any. We are not through the review. The

Minister did make a commitment in the House earlier that if we did discover that something had been transferred that should not have been, then we would take steps to correct that. The department has, with the community empowerment initiative, tried to make the point that we are not looking to inappropriately off-load any liabilities to communities that should more properly be retained by the GNWT. We are taking the concerns seriously and that review should be completed soon. It will provide a full update to Members. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco, are you indicating that you have a second supplementary? No. Members who have not spoken, Mr. Roland, Mr. Krutko, and Mr. Ootes. Mr. Roland, you have not spoken yet, so it is your turn.

**MR. ROLAND:**

Thank you, Mr. Chairman. In the area of municipalities tax-based, non-tax-based, could the Minister or one of her staff give us some information on the community centre in a tax-based community. The same size structures, say identical structures, but in a tax-based community, using mine as an example, of Inuvik. What would be the communities portion of Inuvik compared to a non-tax based community? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. The criteria for the contribution, if that is the question, that a community would make to a particular project as described in our municipal capital assistance policy. I have it handy here somewhere, if I could just have a minute. In the case of Inuvik, using it as an example, Inuvik is now covered by a block funding agreement. In the case of Inuvik, it has a block of funding which it can choose to allocate some or all of the contribution it receives to a community centre project, if that is what they choose to do. Had that agreement not been in place, Inuvik would have been considered a most ability to contribute community. Its contribution to a project would be based on a formula as follows: for the first \$100,000 for the project, they would contribute 30 percent of the cost. For the next \$900,000 of the project, they would contribute 20 percent of the cost

and for anything over a million dollars, its contribution would be 10 percent of the cost. Those costs would be calculated based on a Yellowknife based cost that would be determined for the particular project. An office building would be considered a basic project and then those would be the contributions it would make. If the project was an additional project, which is another category of projects under the policy, its contribution would be greater. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Inuvik, Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. Could the department give an example of what additional facility or additional work is that for? You are doing some road work or something like that compared to building a recreation centre. Is that when that would come in as the higher paying one?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

The difference between basic and additional are laid out in our standards and criteria. If you take recreation facilities, for example, an arena is considered in the

Page 992

basic category, whereas a curling rink is considered additional. There is a distinction made between what is considered basic municipal infrastructure and what is considered additional to what would be the basic complement of municipal facilities. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. Using the community of Inuvik, we are in the process of finishing off a facility there and it was before the block funding agreement. When that was put in place there was a curling rink attached to it and that is additional. What would be

the rates of an additional item on the list when it comes to the amount we would have to pay?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. For additional projects, the community is required to contribute 100 percent of the first \$100,000, 75 percent of the next \$900,000, and 75 percent for any amount over that. Any amount over \$100,000 the community would contribute 75 percent.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. Can you give me an example of what a non-tax base community would have to do in both these areas, funding wise?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. As I mentioned previously, the area of ability to contribute is subject to our municipal financing review. The policy lays out contribution requirements based on medium ability to contribute and least ability to contribute. Because of concerns of some communities in the medium ability to contribute category, until we complete our municipal financing review, we have included all of the communities, the remaining communities, in the least ability to contribute grouping. For basic infrastructure, the amount that the community would contribute would be 5 percent on the first \$100,000 and there would be no contribution on anything over that. If the project, though, was an additional project, the contribution on the first \$100,000 would be 50 percent and the contribution on the next \$900,000 or anything over the first \$100,000 would be a 25 percent contribution that would be required.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Final supplementary, Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. You are doing a review right now that will address these areas of the categories of most abilities to pay, medium and least, and bring that rationale into line, especially when we are looking at reductions in the cost of doing business. We are looking at all of that in the review?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

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

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Krutko, Mr. Ootes, Mr. Miltenberger. Mr. Krutko.

**MR. KRUTKO:**

Thank you, John for getting there. My question to the Minister is in regards to the allocation. I do not know who you could blame this one on, it has been ongoing a number of years, especially in relation to Aklavik. Statistics I have pulled together over the last nine years show for that size of community of over 800 people, the largest community in my riding averages out to about \$300 per person. Yet, in other communities, using Kakisa with 39 people, get almost \$450 per person. This is an issue that I have raised in the House several times over the last year, in which the point is not a question of putting blame on anyone. You can not blame what has happened in the past, but you can try to resolve it and find a way to have a fair, equitable way of distributing funds based on community need and the size of that community. Also to have a way of evaluating that it is fair, that you do not see a large discretion from one large community, yet there is a smaller community which is receiving more funding. In regards to Aklavik, they have never had a project over \$1 million in the last nine years. The question I would ask the Minister is have they looked at a possible way of finding a formula that can be used to ensure that everybody has been fairly treated in regards to the allocations?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I believe that we have been fair to all the communities in the territories. I will

get Penny to answer the specifics of that question.  
Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. The deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the answer to the Members' question is yes, we will be looking at the distribution as well the distribution of capital and we will certainly try to take the Member's concerns into account. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to the whole question about the distribution and fairness, we can try to determine that, but it comes to what we have in front of us and on paper. Regarding Arctic Red or Tsiigehtchic, the original allocation for 97/98 was \$376,000, yet what they are receiving in this budget is \$42,000. In regards to a cut of almost 90 percent of the original budget, you talk about fairness in taking the cuts and distributing them, that has to be seriously looked at.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister, did you want to respond?

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. When we just look at one window at a time, that seems to be the case, but when you look at the whole picture, that is not the case. When you are just looking at one year at a time, that

Page 993

does seem to be the case. In this case, maybe that is the case. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Another question regarding Tsiigehtchic, residential development, in which they will be receiving \$40,000 over five years. Yet we are finding the population of Arctic Red has grown significantly, especially with the downturn of what is happening in the Inuvik region, where we are finding a lot of families are moving from Inuvik back to Tsiigehtchic as there is no employment or activity happening in the Inuvik region or Inuvik itself. All these people are going back to the communities they originate from, which is having a strain on the demand of property, housing units, and services. How do you evaluate basing \$40,000 figure on a five-year residential development?

**CHAIRMAN (Mr. Ningark):**

Mr. Krutko, your mike was off.

**MR. KRUTKO:**

When did it go off?

--Laughter

**MR. KRUTKO:**

In regards to the population reviews, we are basing our plans on five years, upon demand or need and we find out there is a real influx into a community. Is there a way to do another evaluation to bring those numbers to the exact amounts that we are dealing with in those communities?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. When the superintendent goes down to these communities, the communities should be identifying these concerns, if they are concerned about them. We adjust the capital plan every year, so they can identify new needs as they grow and change. If the superintendents are visiting those communities, then the community should be identifying those needs and changes because we are doing it every year. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to the Premier, there were letters sent to all communities from the Premier, asking communities if they have items they want to put into the 97/98 capital budget. Those responses that came back to the Premier from those communities, how have they been taken into account, allowing them to be put into this capital budget?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will get Mrs. Ballantyne to answer that question.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the priorities that are set by communities are distributed to all the different departments. As each department is developing their capital plan with their capital budget target for that year, we do our best to try to accommodate as many of the communities' top priorities as we can. The individual department capital plans are then put together into the overall GNWT capital plan, through the inter-departmental capital planning process. Unfortunately, in the current fiscal environment there is simply not enough money available to meet all of the communities top priorities, so some sorting out is done based on trying to meet the most urgent needs in as many communities as possible. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the letters that were sent, especially from my riding, the issues that were raised in those letters were essential to the communities to bring out their frustrations that they are trying to deal with at the community level in regards to demands, not only from the public, but from the counsellors, mayors, chiefs because they are finding there is a real concern through not having a ten-year capital plan. Since I have been elected, people are starting to see the light, because now it is on paper and they can see exactly how they have been treated in the last 10 years versus what the other areas have received. The demands in regards to the water/sewage subsidy have been cut, they are cutting back in some cases. Arctic Red River is

finding a real population boom, especially in their school. They have a school that was built in 1940 which they are still using. Also some communities, such as Tsiigehtchic, do not have an airport. The only transportation link they have is when the road system is open or the ferries are in. These letters that are sent, the people that sent them to the Premier, contain issues in there they felt as being essential. I do not think it was asking to put a wish list together and take it out. They are saying look, this is the problem we are dealing with, how can we fix it? Those were seriously thought out concerns and I believe they should be taken seriously.

**CHAIRMAN (Mr. Ningark):**

Thank you, there was some indication of a response from the Minister. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We take every concern from the communities very seriously. We work with each community. I know the department staff have been working very well with the communities that David Krutko has been raising. We have a good working relationship with those communities. We are taking them seriously. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I would like to touch base on the financial state of the communities. I am wondering if the Minister could tell me if a consistent and ongoing review is done of the financial condition of all of the communities in the territories? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Mr. Chairman. I will get Mrs. Ballantyne to answer that.

Page 994

**CHAIRMAN (Mr. Ningark):**

Thank you. Deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the answer is yes. The department reviews the unaudited quarterly statements on a regular basis throughout the year. In addition, the audited statements are also reviewed as well. To provide just a little more information to the Member, the regional offices report the monthly balance in each community has accumulated surplus deficit accounts. This review is done with each of the funds that are in the communities accounts. That would include things like the municipal operations fund, the water and sewage fund, equipment reserves, water sewers, vehicle replacement, et cetera.

The regional offices are the front line. They are working on a day-to-day basis with the municipal government so they are providing feedback to municipalities. That is our early warning system on the front line.

Generally, in the past, MACA, in its instructions to auditors identified the specific areas the department might find of concern, the specific communities. In general, we have reviewed those instructions to auditors. They are becoming more detailed this year. In addition, as part of the department's re-organization, we have set up a new unit that will monitor and evaluate the financial and other performance of community government. It is an area that we brought increased rigor to and expect to provide even better feedback to communities in 1997/98. Thank you.

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Mr. Ootes.

**MR. PICCO:**

Thank you, Mr. Chairman. If I were to say I would like to have a look at the financial statement of each of the communities, in a day or two, three or four, the department should be able to provide me with a run down of the financial condition of each of the communities here in the territories. From what I heard the Minister state, this is done on a quarterly basis and on an annual basis. Perhaps I could have the Minister comment on my particular comment and question.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We provided all the information to the Infrastructure Committee. The Infrastructure Committee has all of the detailed information the Member is asking for. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I would like to deal now with the review of legislation. Has the department completed the review of all legislation with respect to the community empowerment process?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have been talking to the Infrastructure Committee on the legislation bill. The first base is ready for the House. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Third supplementary, Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. There are a lot of implications when we do community empowerment and community transfer. Areas the territorial government now has responsibility for or they have exemption from or are able to cover from a liability side. There are several areas here that I would like to propose. One question I would like to have the Minister or her officials address, what is happening with the Business Incentive Policy with regard to the communities taking on community empowerment? What will happen with regard to the Affirmative Action Policy with the transfer? What about GST where the territorial government is exempt if the community takes care of, for example, the maintenance on a facility? The cost of maintaining that facility may increase by seven percent because the territorial government is exempt. The only jurisdiction by the way in Canada that can do so, which is a wonderful benefit for us. If we transfer this to the communities, then all of a sudden we could potentially face a seven



percent increase in operating for those particular communities. I am thinking of airports, where we are talking about the transfer of airports in the Keewatin. That is not cheap to operate. How are we addressing those particular cost factors? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. If the Member had asked me an oral question on that, I would have taken it as notice and he would have received all the information afterwards. Anyway, I will get Mrs. Ballantyne to answer that.

**CHAIRMAN (Mr. Ningark):**

Thank you. The deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, with respect to government policies like the BIP and Affirmative Action, the department currently does encourage the municipal governments to adopt a northern preference policy with respect to purchasing and many community governments do so voluntarily. The question of GST is a concern for the department as well and we are looking at that specific issue. Perhaps I could ask if Mr. Christensen might address some of these issues, particularly with respect to the airport transfers. He does chair our infrastructure task team.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen, would you expand from here.

**MR. CHRISTENSEN:**

Thank you, Mr. Chair. The discussions the Department of Transportation has been having with communities in the Keewatin have been in terms of applying the Business Incentive Policy as part of any transfers. The issue of GST, though, is interesting in that the rules that will apply to communities after transfers are different than the rules that apply to the GNWT. In some cases insurance premiums and deductibles are different. The case of the application of

the GST or excise taxes on fuel is different as well. So, the approach that is being taken is to be very open with all the communities in any of these discussions to show and put all of the information on the table, so everybody can see what the financial implications will be to communities and what funding is available within the GNWT for these transfers.

On the one hand, there may be extra costs. One of the objectives for the transfer is to achieve savings through consolidations of asset management at the community level and to identify those potential opportunities for greater efficiencies by consolidating some of these activities through transfers at the community level. In the end there should be a net gain to the community as a result of these empowerment transfers. The increased GST cost is recognized, but it is brought into the presentation and the discussion and analysis that goes into coming up with transfer agreements that are developed. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Final supplementary, Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I am just mentally counting in my head whether it was four or five that I have asked. Whether this is my fourth question, thank you, but that is fine. The way I see this evolving is that we have not resolved the idea of the policies the territorial government has and how they apply within the communities. We have not yet dealt with affirmative action. We have not yet dealt with the GST question, which will apply to communities. I think on that matter, Mr. Chairman, we see a five percent reduction to the community transfer payments and we see on top of that a seven percent additional GST cost. To me that is a 12 percent change in availability of money. This concerns me in the long run. We spoke earlier about an assessment needing to be done on putting infrastructure into communities, but communities not having the availability of funding to keep these facilities operating, and the potential is very strong on that in the future. I am making a statement.

I am concerned about the speed with which this whole program is going. We seem to be doing this, we seem to be transferring airports, we seem to be transferring this, and we are going at this in a tremendous, enthusiastic wonderful way. As I have said, I am all for it. I am very concerned about thinking this thing

through, ensuring the communities do not get harmed in the process. The potential is there for that to a great degree. It seems to me we are not thinking through some of the legislative areas, some of the liability areas, and some of the whole areas of how our policies apply in the communities. I am just referring to two of them, Mr. Chairman, the Business Incentive Policy and the Affirmative Action Policy. For affirmative action, this government is attempting to do its best to address and ensure that people in the communities get jobs, but we cannot extend that control to the communities themselves. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We only do community transfers if the community initiates it. We are not rushing the communities with this priority. The communities can think on their own. When they initiate an interest, we go in there and introduce them to the community empowerment presentation. We are consulting with the communities. We will deal with these issues before the transfers take place, but the Member's concerns and views are welcomed. I would just like to thank the Member for his concerns. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have Mr. Miltenberger, Mr. Steen, Mr. Krutko. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. The issue mentioned by Mr. Christensen on reviewing their criteria on the community contributions to me is one of interest, especially as money gets tighter. People are going to be looking at how money is allocated and what resources are shared around. I was sitting here trying to do some basic math. If I took the \$17,000 as a figure that is given to us on a per capita basis, the federal government transfers. I just took three different other numbers. I took Yellowknife, for instance. I recognize there are other variables here, but if I look at Yellowknife with 16,000 people, just with the transfer of \$17,000 that works out to \$172 million a year. If I take a community with 3000, it works out to about \$51 million. A community of 200 is about \$3,400,000. I think the issue of fairness and

equity is one that is going to become of great importance. There is a clear understanding there has to be equalization.

We have to support each other, but there has to be recognition that there are costs. I am concerned we have created a high level of expectation among communities. I do not think a lot of the communities, especially the smaller ones, recognize the cost of things. Clearly, if you want arenas, all this infrastructure and the government gives it to you, it is not the same if there is a certain amount of equity from communities put into it. Tax based communities do it. We all do it in our own lives. If you want stuff, you take mortgages, you recognize there is a cost to things. With our shrinking resource base as a government, it is going to become more and more important. I will be interested to see how that shakes out of your review of the municipal financing, because it is going to become an issue. It is not really a question, Mr. Chairman, more of a comment.

**CHAIRMAN (Mr. Ningark):**

We are dealing with community development, unless the honourable Minister wants to respond. The honourable Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I do not have any comments on that. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I ran out of questions before, so I want to follow up on what I was asking there. I get the impression from the response from the department, they can only transfer to the communities what the other departments have transferred to them. In other words, if there is half of a PY cut in education, that is all MACA has to transfer. If the communities suggest they cannot see themselves taking on this responsibility for only half a PY, they cannot really address the concern to MACA because MACA has only transferred half a PY. In fact, the cuts are coming in the other departments, but they are being funnelled through MACA to address to the community, rather than the

department doing it straight themselves. I want to know from MACA if this is the case.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will get my DM to answer that.

**CHAIRMAN (Mr. Ningark):**

The deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Under the community transfer initiative, MACA did use it to receive some monies from other departments which would flow through MACA and then to communities. This is not happening any more. What is happening with community empowerment is the departments are entering directly into agreements with the communities. We do not get the PYs then transfer them any more. It is done directly between each department and the community. What MACA does is to facilitate those negotiations and the transfer. We co-sponsor each of these agreements when they are set up between departments and the communities go to the Financial Management Board for approval. MACA reviews them and co-sponsors them. We try to provide a facilitator service to make sure the process is done properly. The departments are transferring directly and not through MACA any more. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Supplementary, Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I cannot recall exactly what we heard from the Minister of Education, Culture and Employment. He suggested some of this program money for income support was in fact going through MACA and that is why it was identified in the budget. I would like clarification on that from the Minister, if I may.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We are not getting any money for income support from ECE for MACA. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Supplementary, Mr. Steen.

**MR. STEEN:**

Mr. Chairman, could I direct that question to the Minister of Education, Culture and Employment?

**CHAIRMAN (Mr. Ningark):**

Thank you. I am informed the Member can ask questions of a different department for clarification. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Chairman. I believe the Member is asking a question referring to the resources for delivery of income support in Cape Dorset, in particular. During consideration of the ECE budget, I mentioned during the community transfer initiative, resources for delivery of income support had been transferred from ECE to MACA and through a further transfer to the community of Cape Dorset. As far as I am aware, that is the only community in which the resources have been transferred from ECE to MACA. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. I would like to remind all Members of the committee, we are in fact reviewing the 1997/98 main estimates of Municipal and Community Affairs. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, my other question is in relation to O and M funding for the communities. I believe a Member addressed the way the O and M capital funding is actually being supplied to the communities. My concern is O and M funding reduction by 5 percent to each community has a different impact on different types of communities. For instance, hamlets would only have X number of dollars for O and M funding. They have to do all their work out of that O and M funding. The SOAP communities, Supplement Operating Assistance Program communities, they do not have to. They get

a lot of their services through DPW like road maintenance, stuff like that. That is all free or supplementary to the funds they receive under SOAP. I want to ask the Minister, how the department intends to address this situation?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I want to add some information regarding an earlier question. The Cape Dorset program was done by the old CTI that is why that was done for that particular question. Regarding the other question, we are reviewing the municipal financing and this will be dealt with through the municipal financing review. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Final supplementary Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. My other question is that we have heard from the other departments, I believe it was Mr. Kakfwi's department, that communities would be responsible. If they take on contracts from the government, they would be responsible for implementing the BIP program. I want to know where they can get funding to hire someone to keep track of this BIP program and how it is going to be spent through these contracts. Obviously this government has stated it is costing them X number of positions in order to keep track of the BIP program and how it applies to different contracts and whether or not the contractors are living up to the BIP. Where is the community going to find the money to keep track of these contractors and whether they are living up to the BIP? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you Mr. Chairman. That has been raised before by other Members and we will be dealing with it in the municipal financing review. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Community development. Mr. Krutko.

Page 997

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is regarding the five year capital plan, concerning the emergency House in Aklavik before the House sat. There was a lot of discussion regarding the water treatment plant. In the capital plan, it is not allocated until the year 2000. There is an urgency to get it into the capital plan possibly moving it up. What is the process to allow that to happen?

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I believe we have the detail here. I will have Mr. Christensen read it. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The process will be, now that we are in the capital planning cycle already for the next fiscal year 1998/99, we are about to review a planning study with the hamlet. It has been undertaken with the result of work that has occurred over the course of the last year. While the current capital forecasting plan shows funding not starting much later in the five-year capital plan, this new information will be brought to bear for the next planning cycle. We have an opportunity to review the whole planning related to improvements to the water treatment facilities in Fort McPherson and they will be reflected in adjustments to the capital planning forecasts that comes out in preparation for the next budget year. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are gradually moving into detail of capital, as we speak. Do we want to read out the number on page 4-16 community development and move on to capital so we can discuss the item at the concern of Members? No? Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Following my line of questioning, the overall planning process, it seems like a lot of the time and discussions are happening around hamlet meetings. There does not seem to be enough time to really do an adequate justice to planning, especially regarding infrastructure for the community. You are looking at prioritizing items. It seems like you get a letter, you have a meeting, and you say, okay, what do you want? There has to be more emphasis on taking the time to seriously go through the planning process by designating a couple of days and that is all you talk about. You do not talk about hamlet business, you just look at the capital plan and sit down and allocate four days a month to look at it and seriously go through it. It looks like there is a lot of reaction to items that, someone figures it is a great idea one day but then two weeks later there is another more sensitive issue which may override the first decision you made, such as the water treatment problem that we had in Fort McPherson. What do you want to do? Do you want to build a house or do you want to renovate the school because there are damages to the school within a certain period? You have to make that decision. Once you make that decision, it is not steadfast. There is ability to keep reviewing your plan all through the year. You do not just do it once and that is the end of it. Is there a mechanism the department has or is that something your department will look at?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. These are good observations and we will take that into consideration. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development, operation and maintenance. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Another issue I am going to touch on is a letter that I had sent on February 06, 1997, which I received from the hamlet of Fort McPherson and also the recreation committee looking at fund-raising for a curling rink, which was destroyed five or six years ago because of a fire. There is a real push to find resources and ways of possibly building a curling facility because this is one facility that,

especially in the Mackenzie Delta where a lot of curling takes place, people are able to travel to every weekend, go to a curling bonspiel and it is an activity that the whole community can take part in. In regards to hockey rinks and what not that they mentioned in the letter that I sent, there was a community recreation committee looking at a fund-raising attempt to cost share a possible curling rink facility with the department along with the hamlet, and the fund-raising committee, especially now that we have with the cut-backs not as much resources around, that there is a possibility of joint ventures or looking at a way of building infrastructure using other people's revenues. That is something that we should seriously look at. So I would like to ask the Minister if her department is looking at the possibility of a venture such as those in other areas besides recreation facilities.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I am aware of the curling rink proposal that the community was asking for. We will be reviewing the scheduling of the curling rink project in Fort McPherson as part of the '98/99 capital planning process which is now in process and the superintendent of MACA for Inuvik will be contacting the hamlet council further in this regard. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. Mr. Krutko. Thank you. Community development. I have Mr. O'Brien, Mr. Ootes, and Mr. Steen. Right after Mr. O'Brien we will take a break. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, my question I have is a general question regarding community transfers. Mr. Chairman, I have stated on a number of occasions in this House that I fully support community empowerment and the community transfers providing that the transfers are done in a manner where the communities have sufficient training, sufficient funding, and it is not in any way seen as dumping or downloading or whatever the magic words are that some people use to describe these transfers. Aside from the benefits that a community would gain, for example, they would have the benefit of having the responsibility and the authority to control their own

destiny and manage their own affairs. Has there been any cost benefit analysis done on these transfers to the communities or to the NWT as a whole, which is as important as any other factor?

Page 998

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Yes, there has been an analysis done by the department in that and I can get Mrs. Ballantyne to give him more detail. Thank you.

**CHAIRMAN (Mr. Ningark):**

The deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, right now the GNWT, through the various departments, spend quite a bit of money on administration of programs. Part of the reason we spend as much as we do in that area is because of the duplication between the different departments in the administrative area. Part of the premise for the community empowerment initiative is that by combining a number of activities at the community level under local administration, then the savings that are realized through the consolidation of activities that money can then be used on other community priorities. Right now there is a significant amount of every program dollar that is spent on administration and it is really a consequence of each department running everything from Yellowknife right down to the community level through the regional operations.

What we would like to see communities able to do through community empowerment is to combine a number of activities and maintenance is a good example. In every small community in the Northwest Territories, DPW has a garage and a workshop. The Housing Corporation has the same, the local hamlet office has the same. If all of those functions can be combined under the hamlet then there are savings. Cape Dorset has had some significant success in this area by combining the warehouse, by consolidating the equipment and the tools. The other good thing that happens in those situations is that you get some of the more highly skilled staff able to provide apprenticeship opportunities to others who may

previously not have had that opportunity. Those are the plus sides.

As Members have been pointing out, we are trying to balance that with any additional cost or cutbacks in programs that the communities are also needing to take into account. Overall, we need all of that information on the table before communities. The analysis needs to be done at the local level to make sure that in each specific case it is going to be not only cost effective but that we will not see reduction in the level of service to the public as a result of the transfer. Many more objectives in place than simply us transferring a program. It is very much meant to be an opportunity for communities to take control over the programs and services that do matter to local people. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Is it fair to say that there is a cost benefit analysis done on each community prior to a transfer taking place?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Yes.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, if a cost benefit analysis was done on a certain community and it was found that it was not cost effective, would the transfer take place? My concern here is that once a community would take on a responsibility and then to find out down the road that it is really more than what they bargained for, it is more costly and they really got a pig in a poke where they find themselves in a tight financial situation where it is very difficult for them to run or operate that function or that department. My question is, if the cost shows that it is not feasible or it is more expensive, would it still be transferred?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The bottom line is that we would like the communities to succeed and the staff would be working with the community at all times and monitoring the community when the transfers are taking place and there is an open communication with the community when the transfers are taking place and also before the transfers take place. We would be there to help the community because we want them to succeed. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Mr. O'Brien.

**MR. O'BRIEN:**

One final question. I am not quite sure if I have made myself clear or if the question was answered. My question was, if the cost benefit analysis indicated that it was not feasible and it was going to cost more to offer the program or transfer the program to a community, would the program still be transferred or would there be a delay or would it not be transferred?

**CHAIRMAN (Mr. Ningark):**

Thank you. I will allow the honourable Minister to respond to the honourable Member for Kivallivik and then we will take a break from there. Thank you.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Before the transfers take place, if the community is worried about the transfer, we would not proceed with the transfer. It depends on the community. If the cost analysis is worrying the community or the department, then the transfer would not go through. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. With that we will take a 15 minute leave. Thank you.

-- Break

**CHAIRMAN (Mr. Ningark):**

I would like to call the committee back to order. Community development. We have Mr. Ootes, Mr. Steen, and Mr. Picco. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I wonder if the Minister could tell us about the agreements that are made with the communities. Are there already agreements made and in what form do those agreements take place? Are they legal

Page 999

documents? Is there just a verbal understanding? What process has been followed in this? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have one initial question and four supplementary in the committee of the whole. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. These are legal documents that are brought to the FMB. They are not just oral documents, they are legal documents. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. If a legal document is in place to take care of, for example, airport transfers or other transfers, would the Minister then say that all issues have been resolved before these agreements have been finalized?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. All the issues are resolved before the transfers take place. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Thank you. Which party is responsible for environmental obligations or offenses if a service has been transferred to the community?

**CHAIRMAN (Mr. Ningark):**

Thank you. Deputy minister, Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the issue of environmental liabilities is one that is currently under review. In transfers that are currently under discussion, for example, the airport transfers in the Keewatin, this is an area that has been identified for further review and resolution prior to the transfers being completed. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. In the case of airport transfers, does the territorial government have the ability to monitor and the ability to correct quality of service? I can apply that, I suppose, to any area, Mr. Chairman. In the case of community arenas, are they maintained? In the case of community infrastructure, will it be maintained to the quality of service and monitored and corrected? Does the territorial government have the legal ability to correct these problems and as a result charge the community financially for this? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. As I said before, we want the communities to be successful in the transfers. If we feel that the communities are not succeeding, then we are there to monitor them. We will monitor them during and after the transfers. We are there as resources and to assist them in any way so that they are successful. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Ootes.

**MR. OOTES:**

Now, just a point of privilege, Mr. Chairman. The Minister did not answer the second part of my question, so I want to reserve my last question. Could she answer the latter part of my question with regard to, does the territorial government have the ability to correct a problem if it is identified?

**CHAIRMAN (Mr. Ningark):**

I hate to give special privilege to Members, but I will allow you one more. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Can the Member please clarify his question by giving an example? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I guess I will give you one extra point because you have to clarify the question. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. Yes, it is a good point for me to clarify it for the Minister. If, in the event that airports are not maintained, say they do not do the grading and the upkeep of equipment and so forth, which could lead to a liability at some point in the event of an accident, does the territorial government have the ability to move in and correct the problem and, in turn, charge the community financially or in whatever way?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have not transferred any airports yet to the communities, as I said earlier. We are doing the agreements now. Of course, they would have to comply with the federal standards for the airports and we would be monitoring them after the transfers. We have not done the transfers yet. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. In the case of asset transfers, infrastructure transfers, if I take in a larger community, for example, we may have an arena, we may have an airport that becomes extremely busy and the community wants to either sell or lease that asset. Can the community enter into a joint venture agreement or sell or lease those assets?

**CHAIRMAN (Mr. Ningark):**



Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will ask Vern Christensen to answer the question. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. The assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The transfer agreements for community infrastructure will involve the transfer of ownership of the assets where the territorial

Page 1000

government does not see any territorial interest. If there is a concern by the territorial government that incentives need to be there or assurances need to be in place to make sure that there is not any incremental costs to government, by virtue of a decision made by the community government to sell or lease a particular asset once it is transferred to the community. Those types of concerns need to be accommodated in transfer agreements. Part of the community empowerment initiative is to transfer assets and authorities to community governments, so they can manage their own situation in the way they think is most economical and efficient and effective for the delivery of municipal services. There is a wide range of management opportunity going to community governments and how they manage their assets. Conceivably, in some instances, it may mean selling an asset or perhaps leasing an asset, rather than building an asset or leasing it from private parties. There is a wide range of management discretion going to communities in the asset transfer process. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Steen and Mr. Picco. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, my first question is in regards to the municipal funding review. From the responses given from the Minister and the department, there are a lot of questions that are going to be answered through this municipal funding review. I would like to know when this review is to take place?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will ask Mrs. Ballantyne to give the Member the detail on that.

**CHAIRMAN (Mr. Ningark):**

Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the municipal financing review is another joint venture between the NWT Association of Municipalities, the NWT Association of Municipal Administrators and the department. We are currently working on terms of reference for that review with all of those partners. We will be establishing a working and steering committee, very similar to what we did with the review of municipal legislation.

We think it is very important to have senior administrative officers, people who actually do work with the finances on a day-to-day basis, involved in that review. We expect to get the review under way once session is concluded and we are probably looking at having our terms of references nailed down by April 1st and then this will be ready to launch. In terms of how long it takes, as we are developing the terms of references, there are a number of areas and issues that have been identified by these different partners. They are very similar to the issues that Members are identifying today, what is working and what is not working with the way we currently fund communities.

I expect that at the earliest we would probably be looking at reporting back in the fall. We initially thought we could do this much faster, but as we are getting into it there are a number of concerns that are being raised by communities and by Members and we will want to make sure we have sufficient time to address them all and come back to the Minister with recommendations for changing the way we finance community governments. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, are settlements represented by the Association of Municipalities or are they represented by the Association of Municipal Administrators?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. They are represented both in the Association of Municipalities and in the Association of Municipal Administrators. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Is the department going to be reviewing the policy for the funding of these groups for the SOAP communities?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

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

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Is the department going to be taking into consideration that people who are not part of the bands of these communities cannot vote as to how this funding is administered in the community?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, that issue is being addressed through phase two of the Municipal Legislative Review, which is where we will be talking to communities about ways to improve public government in their communities. That issue would be addressed under the legislative review. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you. Final supplementary, Mr. Steen.

**MR. STEEN:**

Mr. Chairman, my final supplementary is in regards to airport transfers. Obviously, if the total responsibility for airport operations is transferred to the communities, I expect there is going to be some major insurance involved in this. Poor maintenance in those runways could result in major impacts on the community, in regards to accidents due to poor maintenance. I wonder if the Minister could advise me how this is going to be addressed. Are the communities going to have sufficient funding to cover these insurance costs?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The transfer agreements regarding airports are being negotiated with communities directly by the Department of Transportation. I am aware the issue of insurance is something that is being

Page 1001

addressed specifically within those transfer agreements and the financing, cost implications of insurance is being addressed as part of the agreement. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. On the list, I have the honourable Member for Iqaluit, Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, through the whole community empowerment initiative, it is very difficult to find out what exactly is on the table in community transfers. So while the infrastructure is on the table, is everything on the table that communities take over? Also, there are so many different departments out in the communities pushing community empowerment. In any given community, there could be Transportation talking about the airports or you might have DPW talking about taking over the school, so on and so forth. I wonder, when the co-ordination from the regional offices for the

communities for this type of agreement between the different departments is occurring, does MACA keep a good check on what is being discussed? When, for example, Transportation talks about taking on the airport in a certain community, does that department check with MACA to make sure, for example, the community is in a good sound, financial situation?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have regional RICE teams, inter-departmental community empowerment teams, that meet regularly at the regional level that are co-ordinated by MACA if a community is interested in a transfer. This is done through planning through these regional teams that get together and talk about a specific community. Also one of the other things we are doing are assessments of the communities to see what is a regional interest, community interest and territorial interest. Everything is co-ordinated and monitored by these regional teams of superintendents at the regional level. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Okay, I knew there was the regional co-ordinating teams. Going back to my earlier remark, at the beginning, when I said what is on the table for community transfers, what is on the table? Are we talking about if a community wanted to take over the O and M on the nursing station, could they do that? Could they take over the O and M on the school, whatever building, maintain the breakwater in town, which DPW currently does or transportation? So I wonder what is on the table and what is not on the table?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have not developed a list of things that are available to the communities. Each department is responsible for their own departments. We are out there introducing community

empowerment to the communities and making presentations and co-ordinating community empowerment. Each department identifies what is available. We do not have a list of things as Department of MACA, of what each department can give up. Each department is responsible for that. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

As each program comes forward, as each team goes into a community, let us say they go into a community of Tough Luck Bay. Transportation says, do you want to take over the airport in Tough Luck Bay and Tough Luck Bay says, yes. They go back to the regional co-ordinating community of MACA and MACA says you could take over the airport. In other instances, the co-ordinating team goes out and it is the Department of Health. The community of Tough Luck Bay says we want to take over the O and M for the nursing station. Does the Department of Health then come back to MACA and say we are going to do this? Is that what the Minister is saying? It depends on each team, each department, on each community? There is no list of what is not on the table? It depends on whatever the way the wind is blowing? How do we know?

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe the honourable Member for Iqaluit is talking about Pelly Bay. Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. He is talking about Iqaluit, I guess. I will get my deputy minister to answer him about the details. We are a very organized department and what he is talking about is a very unorganized community. I will let Mrs. Ballantyne answer that. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman perhaps it would be helpful if I could just explain the approach that is being taken with communities. We are really discouraging any of the departments to go out and

flog their programs. That is not what community empowerment is about. We are taking a developmental approach with communities whereby we want them to think about what kind of community to have in the future. We do that through the community-based planning process. Through that process, communities identify what is working and not working in their community in the views of the residents. If the community identifies it would be of benefit to them to have more control, management over a certain function that is currently being dealt with by the GNWT, then we facilitate discussions between that department and the community on how that could be achieved. Transfer is not the only way. Sometimes just an improved community participation in a process is sufficient to give the community a sense that they are controlling what is happening in that area. So just to correct the perception that any of the departments are going out, asking communities if they would like to take on this or that, that is not what the approach is all about. It is very much based on communities coming up with a plan for their future that reflects their needs and their priorities and the government working with the communities to help realize that. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. As we said time and time again, it is pretty hard to argue against community

Page 1002

empowerment. It is a motherhood and apple pie issue. Just as an example, if the community of Tough Luck Bay takes over O and M on the school, but for whatever reason fails to keep the boiler on in that school and the school freezes up, would it be very difficult for the MLA for Tough Luck Bay to go criticize the mayor of the council because what the town has done with leaving the boilers off and freezing up the school. However, if DPW was still doing the O and M of that school, the MLA could have gone to the Minister of DPW and said look the school went off, let us fix it, let us get it done now. I am just trying to show you that community empowerment could be an initiative that could take away the power at the central level. I am not saying the power of an MLA or government, but I am just trying to use an example of how you would illustrate this. So I would like to ask

MACA and the Minister if they have looked at that scenario, for example?

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have a lot of confidence in the people in the communities. The parents and community councils are also worried about the schools, if the boilers are being turned off or schools freezing. It seems like the Member thinks that the MLAs are also worried about the nitty gritty little things in the community, because the community might not be aware of the school freezing. We have a lot of confidence in the community people. I know the Member is concerned about the schools freezing and other facilities that stop functioning. We should place more confidence on the people in the communities. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I was just using the school as an example, I could have said a nursing station, I could have said a toilet had backed up in the washroom. It did not matter. I was just trying to use it as a point of analogy. I also live in a community. I am also a parent. I do have children. I have a wife. So I am not distanced from that. I do not live here in the Legislative Assembly, although I spend most of my time here. So just as a follow up to that, Mr. Chairman, if the Minister and the department could for the record, say that in actuality, there is no list of what is not on the table, everything is on the table or if it is just what is brought forward by the community. How do you ascertain, what the community can do, for community empowerment? For example, if the Department of Education goes into a community and the community says we want to take over the school. Will that go forward then? There is actually no pre-condition on what can be assumed under community transfers?

**CHAIRMAN (Mr. Ningark):**

Qujannamiik. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I am going to ask my deputy minister to answer the details on the concern of the Member. I was not aware that he was also concerned with the flushing of the toilets in the communities. Anyway, I will give my deputy minister a chance to clarify his question.

**CHAIRMAN (Mr. Ningark):**

Thank you. The chair allows Members to use examples to make their point. Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, I would like to emphasize again that we have deliberately gone out with a list to communities to say please consider taking over all of these things that the GNWT currently does? We are trying to work with the communities through the developmental process where they identify areas of concern. They identify their priorities, the things they are interested in working in. Often this will relate to social conditions in the community, things going on in the community that the community is interested in.

We do not have a list of programs, saying please take the airport, please take the school. That is not what this is about. It is very much about working with communities in the areas of their interest, their priorities, the things they think are most important and then seeing if there is a way to facilitate a transfer of resources from the GNWT that can be managed by the community in a way that allows them to address issues at a local level, in a way more sensitive to local issues and needs that we can address as a territorial government. That does not mean we give away territorial responsibilities. We do not. Where there is a need for standards to be met, then that is built right in. So we have tried to take a different approach and really not tried to focus so much on the transfer aspect as on the community development aspect and on the training, the building of human capacity in communities so that communities are better able to manage what they have. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Steen and Mr. Miltenberger. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, if I recall correctly, I saw in the paper a few years ago, the airports for Yellowknife, Inuvik and Hay River were all

for sale by the federal government. If I recall correctly there were no takers. One of the reasons for that was because there were too many liabilities attached to this. I would like to ask the Minister if they intend to transfer any airports or cities or towns or are we talking about hamlets only?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. MACA does not have the responsibility for airports. Transportation has the responsibility of transferring that to the communities. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Nunakput, Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, for a while now we have been talking about transferring airports and for some reason we went into the discussion that there were six of them on the table in the eastern Arctic that MACA was involved with, that is why I am asking the questions.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

Page 1003

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. As I stated before and also in my previous comments this week, I said the region of Keewatin was interested in the transfer of airports. These airports will be transferred to the communities as of April 1st. At the regional leadership meetings, the mayor initiated this discussion and wanted to have a regional transfer of airports to their communities. This was initiated by the leaders of the region. The Department of Transportation is the one who is transferring the airports to the communities by the request of the leaders. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam Minister. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. I will try to re-phrase my question. It is my understanding that MACA is spearheading the community empowerment and it includes the transfer of ownership and programs, ownership of facilities, infrastructure and putting programs in place. I would like to ask MACA if ownership of infrastructure within the communities is up for sale? Can it be offered to other government bodies within the community? We heard from Mr. Morin that he recognizes community corporations as aboriginal government bodies. I want to know from the Minister, can these other government bodies take over ownership of these facilities as well as the hamlets?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I am going to have my deputy minister to answer that question. We do not have all the details on the airport transfers previously asked. I will have my deputy minister answer the question by the Member. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Deputy minister Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, the approach we are taking in communities where we have band councils and Metis locals, in addition to community councils, is that we are willing to work with the whole community on proposals for community empowerment. We are currently looking at the community of Aklavik, which is a pretty good example of a mixed community. In that community, the Metis, the Inuvialuit, the community council, and the band have worked together to put together a community council. We are working with that community council and yes, it is conceivable that infrastructure could be transferred to that group. How we work through the legal issues around does that group need to be incorporated into a new group, the membership, et cetera still remains to be worked out. We have really tried to keep the door open. We think it is in the communities interest for us to work with the whole community. That is the approach that we are taking. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Mr. Chairman. How do we keep this within a public body? Using community corporations as an example, they are not considered a public body. They are aboriginal corporations. I believe the same applies to bands. They are considered an aboriginal government and as such are not a public body. How do we justify transferring facilities that are for the purpose of serving the public? How do we transfer these facilities to these groups and still maintain ownership in some form?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, this is an area where we have been trying to apply some creative thinking. The Member is quite right. In the past, the GNWT has been very reluctant to enter into partnerships with some of these groups on the basis they were not public governments as defined by our current municipal legislation. In the phase two review of our municipal legislation, we are going to be talking to these mixed communities about how we can have all these groups working together through a structure that does reflect the entire community. In that exercise we may find our answers. We are certainly trying to take a very open and creative approach to this, so we really can have the whole community working together. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Final supplementary, Mr. Steen.

**MR. STEEN:**

I am through, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have Mr. Miltenberger, Mr. Krutko, but Mr. Erasmus has indicated he wanted to speak, who has not spoken as of yet. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I have been listening with interest for the last couple of days and even weeks and months that people are concerned about the community empowerment initiative. They are afraid the communities might not be ready to take on certain aspects of governing themselves. Rightfully so, Mr. Chairman. We should be concerned that people have to be properly prepared for this. From looking at the Minister's opening comments, they are contemplating training and the rest of it, but the problem could be there is not enough money in the area. Is there a possibility we could put more money into the area to ensure there is enough training in the communities, so they can do a good job?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

It depends on the Members. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Erasmus.

**MR. ERASMUS:**

I know the budget seems to be well thought out and of course everything has to fit. Perhaps the thing to do, is to go outside of the budget and ask the Minister of Finance for some more funding in this area to ensure it is properly implemented. The Minister has indicated it is up to the Members. I am certainly willing to discuss this with the Finance Minister. I know that with the concern the other Members have expressed, that they will be willing to support such an endeavour. Thank you, Mr. Chairman.

Page 1004

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Yes.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community development. I have Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. My question is for the few of my colleagues that are still at the table in terms of where we are going with the questioning. We have an hour left and we have a lengthy agenda ahead of us before Thursday. Not to preclude the right of MLAs to ask about every plugged toilet and every pothole and stuck door in their communities if that is what they wish to do, I suggest we plan to extend sitting hours if we want to finish MACA today given the workload we have for the rest of the week.

**CHAIRMAN (Mr. Ningark):**

Community development, operations and maintenance, total operations and maintenance, \$61,622,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Detail of capital, community development, buildings and works, headquarters, total region, \$125,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Fort Smith region. Next page, total region, \$1,207,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region, total region, \$1,259,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Baffin region, total region, \$3,752,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Erasmus?

**MR. ERASMUS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Agreed. Buildings and works, Keewatin region, total region, \$729,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Detail of capital, community development, buildings and works, Kitikmeot region, total region, \$735,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Agreed, Mr. Ng? Thank you. Acquisition of equipment, Fort Smith region, total region, \$831,000. I am sorry. I missed one. Total buildings and works on page 4-22, \$7,807,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Fort Smith region, total region, \$831,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Baffin region, total region, \$541,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Keewatin region, total region, \$541,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Keewatin region, total region, \$54,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Kitikmeot region, total region, \$163,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total acquisition of equipment, \$1,589,000. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. In respect to equipment, is there a life span for these vehicles and are we meeting the criteria? Are we finding we are rebuilding and replacing it at a much earlier life span?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. We have criteria in our standards and criteria which identifies the useful life we are looking for in mobile equipment, depending on the type of equipment. We have tried, where we can, to maximize the length of useful life for equipment through retro fitting the equipment as a first priority as opposed to purchasing new. We have tried to do that in every case. We believe we are getting good value for the mobile equipment purchases that go into communities, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Roland.



**MR. ROLAND:**

Thank you, Mr. Chairman. In comparison to the private sector, is our equipment we purchase as a government for these communities, the lifespan of these vehicles and heavy equipment, is it equal to those in the private sector area? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

I believe it is comparable, but I do not have the information readily available. There are instances, in the private sector, where they have been able to extend the

Page 1005

use of equipment for a considerable time, but on average, municipal equipment has a useful life comparable to the private sector. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Acquisition of equipment, Kitikmeot region, total region, \$163,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total acquisition of equipment, \$1,589,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Detail of capital, community development, contributions, headquarters, total region, \$1,349,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Fort Smith region, total region, \$2,065,000. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. Two brief questions. I am curious whether MACA, with their typographical error, has come across a creative way to do budget adjustments outside the agreed to capital planning process? Could the Minister look to find another typographical error that could give as well as take away? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

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

**CHAIRMAN (Mr. Ningark):**

Thank you. Total region, \$2,065,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are on page 4-26 of Municipal and Community Affairs, detail of capital, activity, summary, contributions, Inuvik region, total region, \$1,508,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Baffin region, total region, \$1,523,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region \$345,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Kitikmeot region, total region, \$286,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total contributions, \$7,076,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total activity, \$16,472,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Sports and recreation, operations and maintenance, total operations and maintenance is \$2,742,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Detail of capital, sports and recreation, buildings and works, headquarters, total region, \$30,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Fort Smith region. On page 4-32, total region, \$448,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region, total region, \$595,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Detail of capital, sports and recreation, on page 4-33. Buildings and works, Baffin region, total region, \$2,377,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Agreed? Thank you. Buildings and works, Keewatin. Mr. Miltenberger.

**MR. MILTENBERGER:**

I have one quick question. Could the Minister indicate how many people live in Hall Beach?

**CHAIRMAN (Mr. Ningark):**

Thank you. Do you have the details, Madam Minister?

**HON. MANITOK THOMPSON:**

Mr. Chairman, 625.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Baffin region, total region, \$2,377,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Keewatin region, total region, \$607,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

On page 4-34, detail of capital, sports and recreation, buildings and works, Kitikmeot region, total region, \$59,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Are you sure?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Okay, agreed. Thank you. Total buildings and works, \$4,116,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Fort Smith region, total region, \$20,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Sorry, I missed one. Contributions, headquarters, total region, \$78,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Fort Smith region, total region, \$20,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-35, detail of capital, sports and recreation, contributions, Inuvik region, total region, \$125,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Baffin region, total region, \$196,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region, \$439,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Krutko.

**MR. KRUTKO:**

In regards to the renovation, when was this facility built?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Krutko. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Which facility is he talking about?

**CHAIRMAN (Mr. Ningark):**

Thank you. We are under contributions, Keewatin region. I believe he is talking about a recreation centre renovation in Rankin Inlet under that title. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The facility was built in 1985/86. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to the extent of the renovations, what are they doing, fixing the roof, redoing the inside or paving a driveway?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. There have been problems that occurred in the electrical system and the vapour barrier and installation. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region, \$439,000. Mr. Krutko.

**MR. KRUTKO:**

What was the original cost of building the facility?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The building was built over 10 years ago. We do not have that information here. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region, \$439,000. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. To the Minister on the need for an expansion to the community hall in my community of Arviat. When does the Minister anticipate this expansion taking place?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We do not show any expansion to the community hall in the five-year capital plan. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region, \$439,000. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, I note there are a number of communities that are receiving expansions and renovations and so on. What policy or formula does the department use when making the decision to enlarge a facility?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. O'Brien. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The community would have to initiate that as a priority. That is how the process is usually done, but I will ask my assistant deputy minister as to how the process takes place. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The size of the community hall that is funded under our program depends on population. If the population is from 400 to 800 people, the hall size is 391 square meters. If the population is greater than 800, it is 478 square meters. If the project does not show in the capital forecasting plan, then Arviat must have a

Page 1007

community hall that is approximately equal to the size of the large community hall of 478 square meters.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, it is my understanding the community did indicate they were looking for an expansion to their facility. Arviat is one of the fastest growing communities in the Keewatin and probably, in the eastern Arctic, with nearly 1,700 to 1,800 people. You would have to visit the community and visit the centre during some of their functions to realize the building is a fire trap. It is a nice facility. It is not that old, but it is undersized and should be considered as a priority. When there is a major function at the hall it is very difficult to get

around, the hall is very packed. I think it should be considered. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mrs. Ballantyne. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. About three weeks ago I met with the SAO and the mayor and the new constituency assistant of the Member and this was one of the issues that was not raised. I spent quite a lot of time with the mayor of that community and also the SAO. This was not an issue at that time. If it was, I am sure they would have brought it up as a priority of the community. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. I take offense to the Minister's comments. It is my understanding it is a priority. It was brought up. The fact that it may not have been brought up in that particular hour meeting is not really indicative of the need. I can assure the Minister it is a priority. It has been brought to my attention. There is a need for an expansion to this community hall.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Keewatin region, total region, \$439,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total contributions, \$858,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Total activity, \$4,974,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-36, community planning and lands, operations and maintenance, total operations and maintenance, \$3,386,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. I believe it was in this area that we heard some discussion. I do not know if it was the last budget, but it was to do with municipal lands and how communities could access them, especially in the smaller communities where people cannot buy the land or lease it for long terms. There was to be a review of this policy in this area of making lands accessible within communities. Has that been completed?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Can I ask my deputy minister to answer that question?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, MACA has been involved in the reform of land and the land reform initiative has been under way now for about a year. The initiative involved devolving authority and responsibility for Commissioner's Lands within municipal boundaries to municipalities and recovering costs for land development and administration. Those are the two key focuses of land reform initiative. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community planning and lands. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. There is an ongoing review?

**CHAIRMAN (Mr. Ningark):**

Thank you. Deputy minister, Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, part of the review will result in a new land pricing policy which would be based on the full recovery of development costs starting this year. In conjunction with the NWT Housing Corporation, we have also developed a program to address affordability issues for home owners and people that need to build on land. We have developed a subsidy program there. We have also developed a plan for user pay and cost recovery of land administration services. Part and parcel of this approach has been the development of a training program with the colleges for community land administration and people who have trained and who are working for municipal governments to administer land. The idea here is to transfer the control of municipal lands to municipal governments and for the GNWT to get out of the business of being the landlord in the community. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community planning and lands. I have Mr. Miltenberger.

**MR. MILTENBERGER:**

Sorry, Mr. Chairman. The Member for Inuvik went in ahead of me and asked the question I was going to ask. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Community planning and lands. Operations and maintenance, total operations and maintenance, \$3,386,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

Page 1008

**CHAIRMAN (Mr. Ningark):**

Thank you. On page 4-37, detail of capital, community planning and lands, buildings and works, headquarters, total region, \$550,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Agreed. Thank you. Buildings and works, Fort Smith region. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to mapping and aerial photos, \$360,000. Is that not a little much? Is there a possibility of using that money better elsewhere? We are cutting back in regards to subdivision development. I would like to ask the Minister exactly how many communities will that money be spent on in regards to the mapping and the aerial photos?

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, headquarters. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will ask my deputy minister to give more detail to the Member but new base maps for '97/98 will be for Kakisa, Nahanni Butte, Paulatuk, Hall Beach, Repulse Bay, and Colville Lake. I will ask my deputy minister to add on to that. Those are the communities that are listed here.

**CHAIRMAN (Mr. Ningark):**

Thank you, Madam Minister. Madam Ballantyne.

**MRS. BALLANTYNE:**

Thank you, Mr. Chairman. Mr. Chairman, aerial photography and mapping of communities is used to provide a good basis for the development of communities for community planning, so that when new subdivisions, et cetera, are put in, that they are put in the right place. It provides a graphical way of showing how the land changes, the contouring, et cetera. We do air photography in all communities every second year, but the department is involved in digitizing this information with new technology, particularly with new satellite technology. We are going to be able to decrease our activity in this area and we are almost finished this phase of the process. In communities that are growing quickly, as many Members have pointed out, this is an important

component of being able to have good surveying and good development in communities. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, headquarters, total region. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. What were the previous costs in that area? You do not have any money listed for prior years. I would like to know exactly what the overall cost of this is to this government.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will ask my ADM to answer that question.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. We have been spending approximately the same amount of money for the last number of years in the area of air photography and mapping. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to the cuts that the communities have taken, especially in regards to the cost to develop property and the amount of money they are getting to develop residential property, in my riding in Fort McPherson, they are getting \$16,000. You cannot build much of an upgrade with \$16,000. In the case of Tsiigehtchic, it is a joke, yet we are spending money to take pictures and we do not have the money to develop the infrastructure in the communities. Could that money not be better spent on those areas where there is that need of upgrade and develop communities on the ground versus taking pictures from the air?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We are meeting the demands for those communities and we need to take pictures of the communities for assessment of the communities and to see the layout of these communities. In the territories, this is a very important part of land development. We are meeting the demands of those communities already. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, headquarters. Mr. Krutko.

**MR. KRUTKO:**

For \$360,000 a year, do you not think that is excessive? We have a deficit. We are trying to save money and cut back on costs. You do not spend \$360,000 a year just because you want to keep your information up-to-date. We either cut programs and services, we are cutting elders' fuel subsidies, we are cutting the amount of property that can be developed in communities. We are finding there is more demand for community infrastructure needs. We are still spending \$360,000 a year. How many years has this been going on? I would suggest to pass a motion here to delete the whole thing and spend it elsewhere where it can be better used.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I am going to ask my ADM to give the Member information on why this project is very important to all the communities across the territories and also to the different government departments for land development.

**CHAIRMAN (Mr. Ningark):**

Thank you. The assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The air photography and mapping budget is a basic information that the department does use for its land development

program and road construction projects, but it is also used by other departments in government and others who wish to access the information that is available in the department for doing

Page 1009

infrastructure construction work in communities. The department takes the air photo and when used in combination with legal survey work that is done, it is of sufficient quality that preliminary engineering work can be done, preliminary estimating, cost estimating, can be done. Road alignments and other types of preliminary engineering work can be taken from the use of the air photos used in combination with the legal survey work that the department also does. When all of that budget is consolidated in one amount, it looks like a large amount. If that amount was to be distributed across all of the capital projects that are done by the government and others that make use of that information, it would appear to be a small amount on a per project basis. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, headquarters, total region. Final supplementary, Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. If I had \$360,000 in my riding everyday, I would be happy too. What have you done in those communities prior to having this thing in existence? There was a way of establishing your roads through surveys and things like that so that method is still being used before aerial photos came to be. There was a process in place where people were able to survey in regards to set markers and things like that to develop roads and buildings and everything else. I am saying we were able to do it before. I am saying in this critical time, regarding cost savings and what not, that why was this not looked at as a possibility of holding back, cutting back, or finding a new method of doing it cheaper than for \$360,000 a year? You are talking over a million dollars in three years. That is just one area and you are talking about surveying costs of \$175,000 a year. You are spending almost half a million dollars just between those two sectors a year, yet we do not seem to have enough money to develop our roads in the residential areas in a lot of these communities. I would like to ask the Minister if she would seriously consider looking at that to see what savings could be made in that area? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The \$360,000 is not allocated to one riding, it is for the whole territories. One hundred thousand dollars of it is going to the aerial photography, \$260,000 of that money is going to mapping and that is across the whole NWT. It is not that one riding has it or that one riding would get it. It is across the whole territories and we need it for land development and engineering planning. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, headquarters, total region, \$550,000. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Is it possible to pass a motion to have that deleted?

**CHAIRMAN (Mr. Ningark):**

Thank you. In committee of the whole, it is possible to make a motion on the floor, but it is up to the Members to either vote for it or against it, Mr. Krutko. Mr. Miltenberger.

**MR. MILTENBERGER:**

Mr. Chairman, while my colleague is contemplating a motion, I would like to move that we extend hours to conclude the item.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Thebacha. Do you want to conclude the item or do you want to conclude the department? Thank you, Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. I am sorry for my lack of clarity. I would like to move that we extend hours to conclude the department.

**CHAIRMAN (Mr. Ningark):**

Thank you. There is a motion on the floor and it is not debatable. All those in favour of the motion, please signify. Down. Opposed. Thank you. The motion is



carried. Therefore, we will sit in this House until the Department of Municipal and Community Affairs is concluded. Thank you. Buildings and works, headquarters, total region, \$550,000. Agreed? Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I would like to move a motion. I move that the \$360,000 capital expenditure for mapping and aerial photography for the territories that is under the community plan and lands activity of the Department of Municipal and Community Affairs, be deleted from the 1997/98 main estimates.

**CHAIRMAN (Mr. Ningark):**

Thank you. We will need a copy of the motion to be translated, so we will take a break until the motion is written and translated. Thank you.

-- Break

**CHAIRMAN (Mr. Ningark):**

The chair recognizes a quorum. Mr. Krutko, for the record please read the motion one more time. Thank you.

Committee Motion 31-13(4): To Delete Capital Expenditure for Aerial Photography-Territorial Various Under Community Planning and Lands - MACA

**MR. KRUTKO:**

Thank you, Mr. Chairman. I move that the amount of \$360,000 capital expenditures from mapping and aerial photos, territorial division, under the community planning and lands activity, the Department of Municipal and Community Affairs, be deleted.

**CHAIRMAN (Mr. Ningark):**

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

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the motion, I believe during the tough times in a lot of communities regarding cuts to the budget, cuts of programs and services, cuts regarding capital expenditures especially for roads and other infrastructure in the communities, we are finding there is insufficient funds in the budgets that communities are receiving, especially regarding residential development and

what not. This money could be more appropriately spent in that area than being spent in mapping and aerial photo at this time. We can wait until we are in a more secure financial state. That money could be better spent elsewhere. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Mr. Picco.

Page 1010

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I will be voting against the motion. I believe at this time \$360,000 is capital expenditure for mapping and aerial photography that is needed. It is very important to be able to show on those types of maps with the pictures that are being taken by air, to show what has happened on the ground. Just recently I have had an opportunity to get some of these pictures. I found them to be very important. I used them to show some of my constituents in Yellowknife about the different lots and everything. I will be voting against the motion.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mapping and aerial photographing of the community site is an important part of community planning. The department has indicated it is used for that purpose. I know from my own experience these aerial photographs are included in the community plan. They are an important part of the community plan, so is the growth of the communities, and so is the area that can be used in the future. It shows if there is any geographical changes in the shorelines. It is an important part of the community planning. I believe if we delete it from this budget, it will only slow the whole process down by one year. The department will still have to do it in the future. I do not have any previous cost or any future cost identified, but I am sure the department did take into consideration the cuts when they introduced this figure in the budget. Therefore, I am not going to support this motion.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I too, feel the mapping section of the department is extremely important. I am familiar with it. I spent some time in that area about two years ago and realized the value of that particular operation. It adds to, not just the department of Municipal and Community Affairs, but to the Housing Corporation and to all other government departments in planning roads and in locating subdivisions and locating expansion areas and so forth. I too, will be voting against the motion, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. To the motion. Question is being called. All those in favour of the motion please signify. Down. Against the motion? Thank you. The motion is defeated. Buildings and works headquarters, total region, \$550,000. Agreed? Mr. Krutko.

**MR. KRUTKO:**

Could I have that vote recorded? The Premier put his hand up.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works headquarters, total region, \$550,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Fort Smith. We move on to total region, \$644,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region, page 4-39, total region, \$356,000. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the cost difference between the residential belt in the Mackenzie Delta region where you see \$12,000 to \$16,000 for Tsiigehtchic. Is it cheaper to build pads for those residential areas or is it because they happen to be at the bottom of the barrel?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will have my ADM answer that.

**CHAIRMAN (Mr. Ningark):**

Thank you. Assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The estimates we show in the budget reflect the costs that are incurred starkly in the region to construct these projects. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total region. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Could you get some order in the House? It is pretty hard to hear the response from the Minister. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I would like to have order in the House. Thank you. Total region, \$356,000. Agreed? Mr. Krutko.

**MR. KRUTKO:**

When you say actual costs, is that the cost to purchase the gravel and develop the survey costs and things like that?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We have already from previous years spent \$111,000 in that community. For 1997/98, electrical servicing for three lots was \$12,000; for 1998/99 two lots for electrical servicing; legal survey for eight lots, \$16,000; for 2000/2001, three lots for electrical servicing \$12,000. We are meeting the demands of that community. We have spent quite a bit of money in the past for those lots. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I asked earlier a question regarding Tsiigehtchic, where they are going to be receiving \$40,000 over the five year capital planning process. For \$40,000, the community is growing and demands the residential areas to be developed and the community infrastructure put in place. Do not you think it is a little on the low side for being able to do that?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Madame Thompson.

Page 1011

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I was reading my notes when he was asking the question. My apologies. Can the Member please repeat his question?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member for Mackenzie Delta.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the capital forecast, five-year capital plan for Tsiigehtchic, they will be receiving \$40,000 over the next five years for residential development. I would like to know if it is a little low, especially with the demand in the community for property and also for developing that community. Regarding a question I asked earlier, about the population growth, how do you fit in the adjustments to account for those increases?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. My understanding of the situation in Tsiigehtchic is previously we built a subdivision in Tsiigehtchic by extending a road into the expansion area which provides a supply of lots that will serve the community for some time. The money we are showing in the forecasting plan is

related to extending the electrical servicing and the legal survey work that is required as the lots become needed. While we have a road constructed there, the electrical servicing has not been extended to all of those lots and would be as they become needed. Our capital forecasting plan reflects our best estimate right now as to when those lots will become needed. If it turns out the demand is higher than estimated, then we can make adjustments for it through our annual capital planning process. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Building and works, Inuvik region. Mr. Krutko.

**MR. KRUTKO:**

Thank you Mr. Chairman. Regarding that statement, I believe there was \$35,000 taken back from that particular expansion in which they were supposed to put power poles and power lines in that particular area. Is that money going to be reinstated?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. The funding to extend the electrical services to the next lots to be occupied will be available as they are required. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Inuvik region, total region. Final supplementary, Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Regarding the \$35,000 that was taken from the 1995/96 budget, will that money be reinstated?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Ballantyne. Madam Minister?

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We will review the Member's communities' needs. We do not have any information on the money that was taken out which he is referring to in our books.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, my question is a broad one. Could the Minister or the department tell me why there is no previous or future cost on all these activities?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. I will give the ADM a chance to answer that.

**CHAIRMAN (Mr. Ningark):**

Thank you. Assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. If a project is a multi-year project, the prior years and the future years are shown in the main estimates. For many of these land development projects, the projects are considered as individual projects that stand alone. For that reason, the prior years and future years costs are not always shown. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Inuvik region. Mr. Steen.

**MR. STEEN:**

In that case, Mr. Chairman, we are not forecasting to spend any monies on these areas, residential areas, in future?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

MR. Christensen:

Thank you, Mr. Chair. The department does show the intentions for land development construction work in the capital forecasting plan. It does not appear in the main estimates as a budget for approval for next year, but our capital forecasting plan does show what has

been spent historically, and the forecast over the next five years. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Well, if I could be more specific, Mr. Chairman, let me take Paulatuk. It shows \$13,000 for this year. If I understand the department correctly, they are not forecasting to spend any money in the future on this residential area. Is that correct?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

I will ask Vern to take that please.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Christensen.

MR. Christensen:

Mr. Chairman, the department, in its forecast for 1998/99, is showing to spend another \$44,000 on that particular subdivision. The residential area, old airstrip, land development area, and \$5,000 in the year 1999/2000. Another \$8,000 in the year 2000/01. They are all to extend electrical servicing to the next area of lots to be occupied in that particular subdivision. Thank you, Mr. Chairman.

Page 1012

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to a letter that was sent by John Peasack, regional superintendent to Chief Morris Blake, charter community Tsiigehtchic, it clearly states that in the project residential south end subdivision there was \$35,000 in the 95/96 budget, and it recommended that it be deferred for one year to allow for roads to settle. I would like to ask the Minister where is that \$35,000 that was supposed to be reallocated this year? It is not in the budget.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. We will have to review the file on that particular detail. I do not have it here right now. The staff will have to go to the office and review the particular file on that information. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to the \$35,000 that was supposed to be deferred for this year, it is saying that those funds were supposedly going to be part of this capital exercise. Will that money be put back into this budget for this fiscal year?

**CHAIRMAN (Mr. Ningark):**

Mr. Krutko, your microphone was off. Would you please repeat the last line? Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regards to this year's 97/98 capital budget for Tsiigehtchic, it shows \$12,000. In the letter it states that the \$35,000 was going to be deferred to this year. Will that increase the \$12,000 to bring it up to \$47,000?

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. As I said in my previous answer, we do not have that particular file here. We will look into it once the staff gets back to their offices. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Inuvik region, total region, \$356,000. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Can we defer this section of the budget until that information is forthcoming?

**CHAIRMAN (Mr. Ningark):**

Thank you. In order to defer this section, the Member will have to make a motion and it will have to be supported by other Members. Buildings and works, Inuvik region, total region, \$356,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Baffin region, total region, \$35,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Buildings and works, Keewatin region. Page 4-40, total region, \$190,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, headquarters, total region, \$470,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Rabesca.

**MR. RABESCA:**

Will the Minister explain what the lot price subsidy is?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Rabesca. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. Is the Member asking for a definition of that particular section? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe the honourable Member wants to know what the lot price subsidy is. Thank you.

**HON. MANITOK THOMPSON:**

Mr. Chairman, I will ask Mr. Vern Christensen to answer that question.

**CHAIRMAN (Mr. Ningark):**

Thank you. Assistant deputy minister, Mr. Christensen.

**MR. CHRISTENSEN:**

Thank you, Mr. Chairman. As part of the land reform, we have identified funding to transfer to the Northwest Territories Corporation to off-set the increase in costs they will incur in their programs as a result of changes to land pricing. We have also provided an amount to assist in the rental payments impacted for public housing leases. We also have an amount to off-set the cost of lot prices in some communities where the cost of land development will be very high, in order to try to keep lot pricing in communities at affordable levels. The combination of those three initiatives are in the \$470,000 budget that shows in the main estimates. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ningark):**

Thank you. I might have missed one line here. Total buildings and works, \$1,775,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Contributions, headquarters, total region, \$470,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Fort Smith region, total region, \$426,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-41, detail of capital, community planning and lands, contributions, Inuvik region, total region, \$590,000. Agreed?

Page 1013

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Baffin region, total region, \$105,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Contributions, Kitikmeot region, total region, \$50,000.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total contributions, \$1,641,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total activity, \$3,416,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-42, detail of grants and contributions, grants, total grants, \$4,823,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-43, detail of grants and contributions, contributions. Flip the page over to 4-44. Detail on page 4-45, total contributions, \$51,375,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total grants and contributions, \$56,198,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-46, activity, purchases, this is an information item. Agreed as provided?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Page 4-47, detail of work performed on behalf of others. Agreed? Thank you. Page 4-48, total department. This is detail of work performed on behalf of others, \$1,726,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. I am not sure if it is appropriate, but I would like to seek consent to return to details of capital, sports and recreation, under building and works, page 4-33.

**CHAIRMAN (Mr. Ningark):**

Do we have consent to go back to page 4-33, under detail of capital, sports and recreation. I believe this is the Keewatin region. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. We have agreement. Mr. O'Brien.

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, earlier I spoke about the need for the community hall in my community of Arviat to be expanded or extended due to the rapidly growing population and the fact that the community hall is the focal point of activities in the community.

**SOME HON. MEMBERS:**

Agreed.

**MR. O'BRIEN:**

Thank you, Mr. Premier. There is a dire need for this building to be expanded. With that Mr. Chairman, I would like to put a motion forward.

**CHAIRMAN (Mr. Ningark):**

Thank you. Proceed with your motion, Mr. O'Brien.

Committee Motion 32-13(4): Recommendation to Provide Funding to Expand the Arviat Community Centre

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, I move the committee recommends the Minister of Municipal and Community

Page 1014

Affairs immediately identify and provide the funds necessary to expand the Arviat community centre during the 1997/98 fiscal year. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. The motion is written and translated and it is in order. To the motion. Question is being called. All those in favour please signify. Down please. Opposed? Your motion is carried, Mr. O'Brien.

--Applause

**CHAIRMAN (Mr. Ningark):**

Buildings and works, Keewatin region, total region, \$607,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Madam Groenewegen.

**MRS. GROENEWEGEN:**

Thank you, Mr. Chairman. I would like to seek the committee's consent to return to page 4-42, under detail of grants, senior citizens and disabled property tax.

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe we have the agreement of the committee to go back to page 4-42, details of grants and contributions. Madam Groenewegen, you have the concurrence.

Committee Motion 33-13(4): Seniors' Municipal Tax Exemption

**MRS. GROENEWEGEN:**

Thank you, Mr. Chairman. I would like to put forward a motion with respect to this item. This is from the Infrastructure Committee. I move this committee recommends that the Minister of Municipal and Community Affairs take the necessary steps to amend the Senior Citizens and Disabled Persons Property Tax Relief Act to allow eligible property in tax base municipalities to be exempt from all or a portion of property taxes where a co-owner of eligible property meets the necessary criteria. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. I am told that we are going to have to make some changes to the particular motion. It has to be retyped, so we will take a break until the motion is retyped and corrected. Thank you.

-- Break

**CHAIRMAN (Mr. Ningark):**

Thank you. That was quick. I would like to call the committee back to order. The motion is finished and is being circulated to the Members of the committee. Thank you. The motion is in order. To the motion.

Question is being called. All those in favour of the motion, please signify in the usual manner. Down please. Thank you. Opposed? The motion is carried.

-- Applause

Detail of grants and contributions, grants, total grants on page 4-42, \$4,823,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. We will go back to page 4-49, revenue, recoveries, and transport payments. Agree with that information item?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-50, revenues, recovery. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Why is there such a decrease to the lottery licensing from \$490,000 to \$245,000?

**CHAIRMAN (Mr. Ningark):**

Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you, Mr. Chairman. The communities have taken on the responsibility and the communities are collecting the revenues now, that is why. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-49. Mr. Krutko.

**MR. KRUTKO:**

I did not understand the Minister. There was too much noise going on here. Could you get her to repeat the answer?

**CHAIRMAN (Mr. Ningark):**



Thank you. I would like to remind all the Members to try and respect other Members who are asking questions, as well as the honourable Minister who is responding to questions. Madam Minister.

**HON. MANITOK THOMPSON:**

Thank you. The communities have taken on the responsibility of lottery licensing and the communities are collecting the revenues now, that is why the difference is like that. The communities are empowered to do that and they are collecting the revenues themselves. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 4-49 and 4-50. Agreed? We go back to program summary on 4-13. Program summary, Municipal and Community Affairs, operations and maintenance, total operations and maintenance, \$75,008,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Capital, total capital, \$24,962,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total expenditures, \$99,970,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Does the committee agree that the Department of Municipal and Community Affairs is concluded?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. I would like to thank the honourable Minister and her witnesses for appearing before the

committee. Thank you very much. I will rise and report progress. Thank you.

**MR. SPEAKER:**

The House will come back to order. We are on item 20, report of committee of the whole. Mr. Ningark.

**ITEM 20: REPORT OF COMMITTEE OF THE WHOLE**

**MR. NINGARK:**

Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 8, Appropriation Act, 1997/98 and Committee Report 3-13(4) and would like to report progress with two motions being adopted. Mr. Speaker, I move that the report of the committee of the whole be concurred with. Thank you.

**MR. SPEAKER:**

Thank you. Seconded by Mr. Picco. The motion is in order. To the motion. Question is being called. All those in favour? All those opposed? The motion is carried. Item 21, third reading of bills. Mr. Clerk, orders of the day.

**ITEM 22: ORDERS OF THE DAY**

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

Mr. Speaker, the meeting of the Management Services Board immediately after adjournment this afternoon. For Monday morning at 8 a.m. for the Standing Committee on Government Operations Subcommittee, at 9 a.m., of the Ordinary Members' Caucus.

Orders of the day for Monday, March 3rd, 1997:

1. Prayer
  2. Ministers' Statements
- Page 1015
3. Members' Statements
  4. Returns to Oral Questions
  5. Recognition of Visitors in the Gallery
  6. Oral Questions
  7. Written Questions

8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
  - Bill 11, Loan Authorization Act
  - Bill 13, Miscellaneous Statutes Amending Act
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 2, Justice Administration Statutes, Amending Act
  - Bill 7, Municipal Statutes, Amending Act
  - Bill 8, Appropriation Act, 1997/98
  - Bill 9, Forgiveness of Debts Act, 1996/97
  - Bill 10, Supplementary Appropriation Act No. 3, 1996/97
  - Bill 12, Student Financial Assistance Act
  - Committee Report 02-13(4), Standing Committee on Government Operations
  - Committee Report 03-13(4), Standing Committee on Infrastructure
  - Committee Report 04-13(4), Standing Committee on Resource Management and Development
  - Committee Report 06-13(4), Standing Committee on Social Programs

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

**MR. SPEAKER:**

Thank you, Mr. Clerk. This House stands adjourned to March 3rd, Monday, at 10:30 a.m.

-- ADJOURNMENT