



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

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The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

Honourable Jim Antoine, Honourable Goo Arlooktoo, Mr. Barnabas, Honourable Charles Dent, Mr. Enuaraq, Mr. Erasmus, Mr. Evaloarjuk, Honourable Sam Gargan, Mrs. Groenewegen, Mr. Henry, Honourable Stephen Kakfwi, Mr. Krutko, Mr. Miltenberger, Honourable Don Morin, Honourable Kelvin Ng, Mr. Ningark, Mr. O'Brien, Mr. Ootes, Mr. Picco, Mr. Rabesca, Mr. Roland, Mr. Steen, Honourable Manitok 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 the constant recognition of the dignity and aspirations of those whom we serve. Amen.

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Enuaraq. Good morning. Orders of the day. Item 2, Ministers' statements. Item 3, Members' statements. Item 4, returns to oral questions. Mr. Arlooktoo.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Oral Question 11-13(5): Keewatin Resupply Initiative

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. Further to Mr. O'Brien's question yesterday on the Keewatin resupply proposal and hydrographic survey, I would like to provide some additional information. I am pleased to provide my colleagues from the Kivallivik region with an update on the initiative to provide hydrographic charts in the approaches to the communities of Arviat, Whale Cove, Chesterfield Inlet and Baker Lake. The existing navigation charts for these communities were completed almost 50 years ago. Experienced navigators consider these charts to be inadequate to support safe and effective navigation to Keewatin communities by efficient, deep draft vessels.

Recognizing the need to find the most cost effective means of resupplying Keewatin communities and to support resource development in the region, the Government of the Northwest Territories has worked with the Canadian Hydrographic Service and the

Canadian Coast Guard to rechart the Keewatin coastline over the past several years. In 1995 modern accurate charts were completed for the deep draft approaches to Rankin Inlet.

I have been advised by the Minister of Transportation that his officials were presented with the new preliminary charts for approaches to the communities of Arviat, Whale Cove, Chesterfield Inlet and Baker Lake. These comprehensive and very accurate new charts have confirmed the presence of viable deep draft shipping corridors. These corridors offer a safe route for larger vessels to visit Keewatin communities in the future. I was informed that next summer the final surveys will be completed of the approaches to Coral Harbour and of a new intercommunity shipping corridor along the west coast of Hudson Bay.

Mr. Speaker, we and our federal partners have finally removed all doubt of the availability of safe deep draft passages to these Keewatin communities, and I look forward to testing the competitiveness of the shipping community in utilizing this new information to provide the people of the Keewatin region with the most cost effective, efficient and safe shipping in the future.

--Applause

MR. SPEAKER:

Thank you, Mr. Arlooktoo. Returns to oral questions. Item 5, 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 on the review of bills. Item 13, tabling of documents. Mr. Kakfwi.

ITEM 13: TABLING OF DOCUMENTS

Tabled Document 4-13(5): Canada's Diamond Industry Backgrounder

HON. STEPHEN KAKFWI:

Thank you, Mr. Speaker. I wish to table the following document entitled, Canada's Diamond Industry Backgrounder. Thank you.

MR. SPEAKER:

Thank you. Tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Mr. Dent.

ITEM 17: FIRST READING OF BILLS

Bill 1: Power Corporation Act

HON. CHARLES DENT:

Thank you, Mr. Speaker. Good morning. Mr. Speaker, I move, seconded by the honourable Member for Baffin South that Bill 1, Power Corporation Act be read for the first time. Thank you, Mr. Speaker.

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MR. SPEAKER:

Thank you, Mr. Dent. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Your motion is carried. Bill 1 has had first reading. First reading of bills. Mr. Todd.

Bill 2: An Act to Amend the Public Utilities Act

HON. JOHN TODD:

Thank you, Mr. Speaker. I move, seconded by my honourable colleague from Tu Nedhe that Bill 2, An Act to Amend the Public Utilities Act be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 2 has had first reading. First reading of bills. Mr. Todd.

Bill 3: An Act to Amend the Financial Administration Act

HON. JOHN TODD:

Thank you, Mr. Speaker. I move, seconded by my honourable Member for Tu Nedhe that Bill 3, An Act to Amend the Financial Administration Act be read for the first time.

MR. SPEAKER:

Thank you, Mr. Todd. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried. Bill 3 has had first reading. First reading of bills. Mr. Ng.

Bill 4: An Act to Amend the Elections Act

HON. KELVIN NG:

Mr. Speaker, I move, seconded by the honourable Member for Aivilik that Bill 4, An Act to Amend the Elections Act be read for the first time. Thank you.

MR. SPEAKER:

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried. Bill 4 has had first reading. First reading of bills. Mr. Todd.

Bill 6: An Act to Amend the Income Tax Act

HON. JOHN TODD:

Thank you, Mr. Speaker. I move, seconded by my honourable Member for Tu Nedhe that Bill 6, An Act to Amend the Income Tax Act be read for the first time. Thank you.

MR. SPEAKER:

Thank you, Mr. Todd. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried. Bill 6 has had first reading. First reading of bills. Item 18, second reading of bills. Mr. Dent.

ITEM 18: SECOND READING OF BILLS

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, I seek consent to proceed with second reading of Bill 1, Power Corporation Act.

MR. SPEAKER:

Thank you. The Member for Yellowknife Frame Lake is seeking consent to deal with Bill 1. Do we have any nays? There are no nays. Mr. Dent, you have consent.

Bill 1: Power Corporation Act

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Baffin South that Bill 1, Power Corporation Act be read for the second time.

This bill repeals the Northwest Territories Power Corporation Act and provides for the continuation of the Northwest Territories Power Corporation under

the Canada Business Corporations Act. The bill authorizes the Minister to hold shares in the Corporation and to transfer shares to the Interim Commissioner of Nunavut. The Government of the Northwest Territories is authorized to make guarantees on behalf of the Corporation, to make loans and contributions to the Corporation and to invest in the Corporation. Consequential amendments are made to five Acts to reflect the change of status of the Corporation.

Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Can we have some order in the House please. Mr. Dent, your motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 1 has had second reading and accordingly the bill stands referred to a committee. Second reading of bills. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Speaker. I seek consent to proceed with the second reading of Bill 2, An Act to Amend the Public Utilities Act.

MR. SPEAKER:

Thank you. The Member for Keewatin Central is seeking consent to deal with Bill 2. Do we have any nays? There are no nays. Mr. Todd, you have consent.

Bill 2: An Act to Amend the Public Utilities Act

HON. JOHN TODD:

Thank you, Mr. Speaker. Thank you, colleagues. I move, seconded by the honourable Member for Tu Nedhe that Bill 2, An Act to Amend the Public Utilities Act be read for the second time.

This bill amends the Public Utilities Act to authorize the Public Utilities Board to establish joint divisions with a public utilities board of another province or territory, where a public utility conducts business in both jurisdictions. The bill provides that a joint division has the jurisdiction, powers and duties of the board and that a decision or act of a joint division is a decision or act of the board.

Thank you.

MR. SPEAKER:

Thank you. The motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 2 has had second reading and accordingly the bill stands referred to a committee. Second reading of bills. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Speaker. I seek consent to proceed with the second reading of Bill 3, An Act to Amend the Financial Administration Act. Thank you.

MR. SPEAKER:

The Member for Keewatin Central is seeking consent to deal with Bill 3 today. Do we have any nays? There are no nays. Mr. Todd, you have consent.

Bill 3: An Act to Amend the Financial Administration Act

HON. JOHN TODD:

Thank you, Mr. Speaker. Thank you, colleagues. I move, seconded by the honourable Member for Tu Nedhe that Bill 3, an Act to Amend the Financial Administration Act be read for the second time.

This bill amends the Financial Administration Act to provide that the Commissioner or the board of a public agency may, with the approval of the Financial Management Board and on behalf of the government or the public agency, make a guarantee if the specified limit is not exceeded.

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Thank you.

MR. SPEAKER:

Thank you. The motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 3 has had second reading and accordingly the bill stands referred to a committee. Second reading of bills. Mr. Todd.

HON. JOHN TODD:

Mr. Speaker, I seek unanimous consent to wave rule 69(2) and have Bill 3, An Act to Amend the Financial

Administration Act ordered into the committee of the whole for today.

MR. SPEAKER:

The Member for Keewatin Central is seeking unanimous consent to wave rule 69(2) to have Bill 3, An Act to Amend the Financial Administration Act ordered into the committee of the whole for today. Do we have any nays? There are no nays. Mr. Todd, you have unanimous consent. Second reading of bills. Mr. Ng.

HON. KELVIN NG:

Mr. Speaker, I seek consent to proceed with second reading of Bill 4, An Act to Amend the Elections Act. Thank you.

MR. SPEAKER:

Thank you. The Member for Kitikmeot is seeking consent to deal with this bill for today. Do we have any nays? There are no nays. Mr. Ng, you have consent.

Bill 4: An Act to Amend the Elections Act

HON. KELVIN NG:

Thank you, honourable colleagues. Mr. Speaker, I move, seconded by the honourable Member for Nahendeh that Bill 4, An Act to Amend the Elections Act be read for the second time.

This bill amends the Elections Act to standardize references relating to the residence of electors, to clarify that a person who resides outside of the Northwest Territories may not vote at an election, to provide that the territories may make agreements with other jurisdictions respecting the conduct of elections, and to make a number of other minor changes to the Act. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Your motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 4 has had second reading and accordingly the bill stands referred to a committee. Second reading of bills. Mr. Ng.

HON. KELVIN NG:

Mr. Speaker, I seek unanimous consent to waive rule 69(2) and have Bill 4, An Act to Amend the Elections

Act ordered into the committee of the whole today. Thank you.

MR. SPEAKER:

Thank you. The Member for Kitikmeot is seeking unanimous consent to waive rule 69(2) to deal with Bill 4. Do we have any nays? There are no nays. Mr. Ng, you have unanimous consent. Bill 4 will be referred to committee of the whole today. Second reading of bills. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Speaker. I seek consent to proceed second reading of Bill 6, An Act to Amend the Income Tax Act, Mr. Speaker. Thank you.

MR. SPEAKER:

The Member for Keewatin Central is seeking unanimous consent to deal with Bill 6 for today. Do we have any nays? There are no nays. Mr. Todd, you have unanimous consent.

Bill 6: An Act to Amend the Elections Act

HON. JOHN TODD:

Thank you, Mr. Speaker and colleagues. I move, seconded by the honourable Member for Tu Nedhe that Bill 6, An Act to Amend the Income Tax Act, be read for the second time.

This bill amends the Income Tax Act to provide that when the Minister of National Revenue remits tax, interests and penalties to an individual taxpayer, he or she may, in some circumstances, also remit the Northwest Territories portion of the tax, interest and penalties. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Todd. Your motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? Motion is carried. Bill 6 has had second reading and accordingly the bill stands referred to a committee. Second reading of bills. Item 19, consideration in committee of the whole of bills and other matters, consideration of Mid-Term Review; Tabled Document 1-13(5); Bill 3, An Act to Amend the Financial Administration Act and Bill 4, An Act to Amend the Elections Act. With Mr. Steen in the Chair.

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

CHAIRMAN (Mr. Steen):

I call the committee to order. We have for consideration for the committee of the whole today, consideration of Mid-Term Review and Tabled Document 1-13(5), Mid-Term Review documents. I believe we left off with Mr. Ng. I had two names, Mr. Enuaraq and Mrs. Groenewegen. I recognize Mr. Enuaraq. Mr. Enuaraq.

MR. ENUARAQ:

Thank you, Mr. Chairman for recognizing me right away. I am going to be talking in Inuktitut. (Translation) Mr. Chairman, I will want to ask the Minister this question with regard to Health and Social Services, the Minister responsible for Health and Social Services regarding the people who are going to Iqaluit for medical reasons or to Montreal. They used to be able to have escorts and they would be escorted by their relatives when they went away to the medical centres. After the policies and guidelines have changed in Health and Social Services, in particular in the Inuit communities and perhaps in the western Arctic as well; the policies are very awkward, mainly because of the reasons of the hospital patients who are near death, sometimes are not escorted by their relatives, as long as the relatives do not pay their own way. I will be asking Minister Kelvin Ng a question. Can he put forward a policy that will be understandable for Nunavut people as well as the western Arctic? Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, the medical travel component of the budgets for medical patients was transferred to the boards and by the same token they had the flexibility to design policies around medical travel. Generally speaking, Mr. Chairman, we undertook when we first initiated some of our health and social service reforms, we

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undertook to basically eliminate the funding for escorts unless they were escorts for minors, of course, who are not of legal age to make decisions

about their own treatment. We have given some flexibility to the boards, but our priority has been on funding medical travel for the patients so they can obtain the treatment they require, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Enuaraq.

MR. ENUARAQ:

(Translation) Thank you, Mr. Chairman. I would like to ask another question to the same Minister with regard to escorts. If a spouse were to die and the body was to be shipped back to the community, who would be responsible to pay for the freight of the body to be shipped back to the community? Would the office of Health and Social Services be responsible to pay for the freight of the body to be shipped back to the community? Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, in those unfortunate circumstances where somebody was to pass away outside of their home community, while they were out for medical treatment, yes, the Department of Health and Social Services would pay for having the remains sent back to the community where they originated. Mr. Chairman, thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Enuaraq.

MR. ENUARAQ:

(Translation) Thank you, Mr. Chairman. Another question to the same Minister responsible for Health and Social Services. For the last 30 or 40 years, Inuit in the communities have gone to Montreal, Toronto as well as Quebec for medical reasons. A lot of Inuit have passed away while they were in these cities. I wonder if the Department of Health and Social Services might be able to be in a position of support in having these bodies shipped back to their original communities, these remains from the cities I have mentioned? Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. This government did not assume responsibilities for Health and Social Services until 1988 with the health transfer agreement from the federal government. I cannot speak on past individuals that may have been deceased outside their home communities, 30 or 40 years ago. It was a different government's responsibility in respect to the medical services for those individuals. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Enuaraq

MR. ENUARAQ:

(Translation) Thank you, Mr. Chairman. Thank you for your answer, Mr. Minister. My last question will be with regard to the Baffin House in Montreal. This Baffin House is used by a lot of people from the Baffin region. My question is, who would be responsible for managing it? Would it be the Baffin Health Board or would it be run by your department here in Yellowknife? Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman the Baffin Regional Health and Social Services Board have responsibility for Baffin House. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for Minister Ng. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. We have heard a lot over the last few days and weeks, about the increasing responsibility of community and regional health boards with respect to health services. Given all that responsibility that is undertaken at that level, can the Minister identify for me some of the initiatives the department works on, the department has retained,

that they continue to do. It leaves one wondering what the department does if everything is devolved to the regional and communities level. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, we provide right now a lot of the support mechanisms, cross board wise throughout the territories, provide some of the planning in support of the boards as well and would undertake a lot of the initiatives of support issues that boards themselves could not undertake. If there are specific examples, that is particularly in the area of recent initiative, I think, is the human resource requirements. We are trying to staff up some of the position vacancies, particularly in the human resources support area, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Quite a number of issues have come up in the House over the past two years which I am interested in knowing what progress has been made on them, and we have asked the questions and from time to time we get answers but they are items, which I would assume the department themselves would undertake. Things like coverage for chiropractic services, repatriation of northerners who are in southern institutions, whether they be health facilities or institutions for the mentally challenged or troubled children, those types of repatriation. Another one that has been recently in the media is the entire issue of midwifery. These are the kinds of things that come up from time to time, but we have not heard what happens to them. We bring them up, we have ideas and we present them in the House. Are there ongoing efforts within the department to examine and address some of these ideas that are suggested? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, I can say generally that they are. We have to recognize there are different priorities placed on different initiatives. We have a limited amount of human resources as well within the department, and right now the focus has been on trying to finalize some of the relationships in respect to boards and delivery of services and ourselves as a ministry function, preparing for division and the establishment of two departments. Quite frankly, trying to establish the monitoring,

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evaluation facets of the department with respect to the board because of recent developments, as a result of some of the decisions of boards that have caused some concern amongst some of the constituents. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Some of the things the Minister has outlined for us sounds like they are very technical tasks. They sound like they are tasks, as he suggested, related to process, division, assigning of duties, monitoring and those sorts of things. As a Minister, I know he is well aware, given his portfolios, we have major pressing social problems in the Northwest Territories. I have to wonder, who is on the front line of these concerns? If it is not the department, if it is not the bureaucracy at the headquarters and regional levels, I have to wonder who is driving the matching of resources to these serious social problems which we talk about quite frequently. Who does the Minister see that responsibility lying with? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, it would lay with the Department of Health and Social Services in a ministry function, I think. That is what we have had to do quite frankly as I indicated in my opening comments is try to maintain first of all that there is some stability in the system in respect to funding for Health and Social Services boards in the area of treatment first with the programs that we had given

that we had to undergo some changes in that scheme of things. But as we did that and tried to identify and having, after stabilizing that the funding and certainty out there and the treatment programs, tried to look at areas for reinvestment towards preventative programs that will show some long term improvements towards improving social conditions throughout the Northwest Territories; we cannot do this in isolation of other social envelope partners, as we know. That is why there is the social envelope within this government where we have to include the planning of the Department Education, Culture and Employment; the Department of Justice and the Housing Corporation in respect to their programs as well that lead to the overall improvements of social conditions in general, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. The Minister's portfolios are very much people portfolios. We are talking about some various serious human needs here in the Northwest Territories when we look at Justice and at Health and Social Services. We are not talking about roads, pipelines or airports. We are talking about very personal, human needs. There is something that I have always kind of wondered about when I look at various departments, and that is where is the passion and the compassion for the needs that are out there. I do not expect the Minister or the deputy Minister to carry all this themselves, but when I look at the needs in the Northwest Territories, I feel very strongly about them. As I said, these are very much people portfolios. How does the Minister feel about his role, his portfolios and his responsibilities? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Ng.

HON. KELVIN NG:

Well, thank you, Mr. Chairman. Obviously, I take my role quite seriously in that I know there are people departments as the Member suggests and any decisions that are made on our programs impact people no matter which spectrum of category they may be whether they are low income, high income or middle income; no matter what ethnic origin they have. I think in trying to address the issue about direct liaison with the issue of how you recognize the

compassion and the needs at a local level. I think in devolving the program delivery responsibilities to the regional level where you have a community representation on those regional boards, direct input from the community on how the programs are structured and delivered, and you have a point of contact in the community from the public at large directly to the board of management. That makes an impact on the programs and how receptive and flexible those programs are in recognizing the needs of the constituents that they serve. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mrs. Groenewegen, question number five.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I believe that we need to raise the awareness of the issues that we can become accustomed to that plague our people in the Northwest Territories. I think we need to bring those out to the front and get people thinking, talking and working at all levels to address those needs. With respect to that, we do see some territorial-wide campaigns that are initiated by the various departments. I think of such things as some of the advertising that takes place on television and radio with respect to HIV, the recent video on FAS/FAE and anti-smoking advertising which I assume is partially funded by the Department of Health and Social Services. I have heard Members of this House asking for such a broad-based campaign with respect to breast cancer screening. Could the Minister identify for me what some of those territorial-wide initiatives and priorities are that the department is working on right now? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, I believe we have some direct involvement in all of those initiatives that the Member speaks of. I cannot speak directly on exactly what depth of involvement we have right now because of the fact that I do not have that information here. But I can assure you that we are certainly aware and if not directly involved in those or coordinating those initiatives. Mr. Chairman, thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. I would like to take this opportunity to inform the Members that at 11:00 a.m. this morning there will be a book signing ceremony in the Great Hall which will include a drum prayer. I am sure that we will hear, so I do not want Members to be startled or alarmed by the drums. Mrs. Groenewegen, question number six.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Just in closing, I would like to comment on the work that has been done by Minister Ng from my perspective over the past two years, not him in isolation, but that of the departments that he

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represents and in that role of leading those departments. It is such a vast area of need that I think there is never enough that a person or the government can do to address those needs. But I would like to thank the Minister for being attentive and being approachable on the various concerns. He has attended at least in my riding, I know other ridings, over that two-year period and has tried to listen to what the people have to say. If there is one small area of suggestion or advise that I could offer that might improve communications, it is in relations to our workings here in the House. There are times that either other Members or myself ask the Minister questions, and I do not feel that we get the most direct answer. Sometimes after I ask a question, I feel kind of good and satisfied and happy with the answer, but then I sit down and when I start to try to analyse what he said, I am kind of having difficulty nailing it down and saying, yes, that is the answer I need or that is something that I can take back to my constituents. So, just a small area of suggestion, maybe just be a little more direct and straightforward in communications. That is all I have. Thank you, Mr. Chairman. No question.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. I did not hear a question. Next on the list, I will recognize the Member for Yellowknife Centre, Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. I would like to deal with an issue that is arising here at Station Regional Hospital, that seems to be receiving some concerns by the people who are the specialists here. The Med-Emerg

report made a number of recommendations and seemed to indicate that the department will go in a certain direction. I understand that further work is going to be done on that this fall, but the concern here is that we have a group of specialists, and they are serving fairly well the whole of the Northwest Territories and certainly all of the Mackenzie Valley. There is an unease there now that the way the future through the developing of all the responsibility to the boards may result in the loss of a number of patients coming here to Yellowknife for specialist treatment. If that happens, that means we may lose specialists and it could have a snow ball effect.

In other words, right now we do have a set-up of a group of specialist here and they can provide most of the services for the residents of the western Arctic certainly if not more than that including the Keewatin. This is a major concern. I have spoken to some of the medical people myself. It is happening because of the fact that we are devolving so much responsibilities to the boards, and there is no sort of guarantee yet that we will be able to maintain the volume of patients through these specialists because it will be a choice of each board where they go. Then it becomes a competitive matter. I wonder if the Minister could enlighten us somewhat on this and provide some reassurance? I will only ask one question. Could the Minister provide some reassurance that we want to maintain this group of specialists in the north and build on that so that we do have a centre of excellence here in the Northwest Territories to treat on an ongoing basis most of the major medical concerns that require a specialist, an operation of some sort? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. I can confirm. There is certainly a will to maintain a specialist pool in the north. We have worked hard to develop in conjunction with the boards and supporting them and funding them, developing specialist services to be as close to home as possible no matter what community they may be in. I just wanted to correct the Member. The specialist services in the Baffin and Keewatin are not supplied through Yellowknife. A majority of bills come from other jurisdictions for the Keewatin and Baffin, but certainly for the Kitikmeot, my area and the western Arctic as the Member refers to, a lot of the clientele coming from those areas went to Yellowknife

for some of the specialist services that are available here. It is our intent to try to maintain, as I indicated, specialist services in the north, and we would not try to jeopardize that because of the fact, it would make sense to try to retain that service as close to home as possible. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. Some time ago, the department stated it would develop an alcohol and drug strategy. Could the Minister tell us what has happened in that regard and what is in the process of an alcohol and drug strategy?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. I believe that was probably the alcohol and drug reform that took place early in the mandate. We have gone from a core funding to a per diem situation with a lot of the alcohol and drug treatment centres. We have moved the dollars for the alcohol and drug residential treatment and for the community programs to their regional level where treatment centres have worked on some strategies to expand some of the services they have available including looking at some other areas besides strictly alcohol and drug treatment in order to attract and broaden some of the services for constituents. Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for the Minister. Mr. Ootes.

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MR. OOTES:

Thank you, Mr. Chairman. To a question earlier, asked by my honourable colleague from Hay River, Mrs. Groenewegen. What does the department do? The Minister replied a number of areas, support of boards and planning. He also stated that initiatives the boards cannot undertake, such as the human resource support area. I wonder if the Minister could tell us, if there are other initiatives other than the

human resource support area if the department still continues to be responsible for?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. In the area of financing and other operations, on the capital end of things, we are still responsible for that, setting standards as I had indicated, some of the population health issues of broader programs, whether it is undertaking studies and collection of information for analysis and trends on a territorial basis so we can give guidance and advise on programming and those types of areas, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for the Minister. Mr. Ootes.

MR. OOTES:

Thank you, I will make this my final question, Mr. Chairman. There has been a lot of criticism, Mr. Chairman, of the Med-Emerg report, and I certainly questioned it right from the start, the cost of it and fashion in which it was let, the haste. The usual applies, haste makes waste. I am wondering if the Minister could tell us today, if he would give me a comment, as to whether he would handle the awarding of this contract in a better way? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Ootes. Mr. Chairman, as I indicated in my opening remarks. I believe that those strategic planning initiatives are critical to us as a government and to use as a department as we move toward reforming some of our programs. We are doing a bunch of initiatives that, although we thought were going on the right track, we were not sure of that. Everybody can second guess whether or not you are going in the right direction. I think it is safe to say, as I indicated that the department itself has undergone, over the past five or six years, a strategic planning process that had never been concluded. I felt we had to get this done in a timely fashion because of division impending on us, because of the reforms that were

undertaken and because of the great demands for replacement facilities, as I had indicated in Inuvik and Iqaluit that this necessitated knowing exactly what an integrated system would look like and how those facilities would fit into an integrated system both east and west, Mr. Chairman. Thank you

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for the Minister. I have Mr. Barnabas, Member for High Arctic.

MR. BARNABAS:

Thank you, Mr. Chairman. Mr. Chairman, I would like to ask the Minister of Health and Social Services how his department recruits nurses?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Right now the regional Health and Social Services Boards has the responsibility for staffing, including nurses. Right now, as I have indicated in comments to other Members, we recognize there is a problem. There has historically been a problem in fully staffing the nursing compliment throughout the Northwest Territories, and we have initiated a human resource recruitment and retention plan that we are going to be actively pursuing over the next few months to try to remedy the problem of health care professionals throughout the Northwest Territories. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for the Minister. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. If a community has a problem with their nurse, how do they remove the nurse or the person? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. I guess a lot would have to do with what the complaints would be. If it is an issue of competency, then the nurses' association has a

disciplinary review measure in place to review complaints if it is from a practising level. Basically, I guess, it is the regional Health and Social Services Board that deals with the nursing complement in their service area. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. With the cutback last year, what were the effects on emergency medevacs? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, there were no impacts on the medical evacuations that were required. If individuals required to be flown out, they continued to be transported to the location where they needed medical treatment. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. With the Baffin Regional Health Board transferring to Quebec from Montreal, will there be a lot of effects on specialists or services? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Minister.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, the Baffin Regional Health and Social Services Board is contemplating shifting their focus of service from Montreal to Ottawa. Obviously, if that were to take place, there is a significant impact. It is from one provincial jurisdiction to another. There are requirements for new boarding facilities, for new liaison, contacts for new interpretation services, new transportation links and those types of things. There would be serious impact. That is why we have asked the Baffin board to undertake a cost benefit analysis and to have those issues resolved before we approve

the final transfer of services. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. With the doctors visiting smaller communities, does the health board save money? How does the health board save money by sending doctors to smaller communities? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, I would say, yes, they would and if you had a certain number of people who did not have to be sent out immediately, but they had needs that had to be looked at by a physician instead of by a nurse practitioner, then you could wait until the physician did their regular visit. By that time, there would be a significant number of people in the community who could be seen by the physician who would be visiting and as a result you could save all those travel costs. You would have had to fly those individuals out versus flying a physician in and his support staff into the community. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Question number six, Mr. Barnabas.

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MR. BARNABAS:

Thank you, Mr. Chairman. Recently, I made a statement on cancer. I would like to know what kind of cancers are most affecting the northerners, lung cancer, breast cancer? If you could answer me that. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, the Northwest Territories is no different than, I believe,

the rest of Canada in that lung cancer, in respect to specific cancers, is the highest cause of death in that category. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. I would like to know, was there a lot of funding or a lot of impact for this government to treat people who travel to alcohol and drug treatment centres? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Well, Mr. Chairman, I think we spent about \$2 million or \$3 million in respect to a residential alcohol and drug program that provide in-house services for people with alcohol and drug abuse problems. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Your last question, Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Chairman. My last question, will there be the same specialists after transfer from Montreal to Quebec. How will the specialists be after this transfer? I would like to thank the Minister for answering the questions. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Barnabas. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. They would more than likely be new individuals involved if you were to transfer services from one jurisdiction to another. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for Minister Ng. I have Mr. Ningark, Member for Natilikmiot.

MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, I have had the opportunity for the last two years to question all of the Ministers. If it could make any difference to serve my people, it should have happened the past two years, I do not believe this forum today is going to make any difference, but we want to focus on the things that we did according to the plan, things that we did not do according to our plan; things that have fallen short. When we were elected we appointed or selected Members of the Cabinet, the Premier and the Minister of Finance, in their statement, several times stated that this government is to be compassionate, fair. When we talk about balancing the budget many times, it was indicated that the budget will not be balanced on the backs of the poor. Having said that, Mr. Chairman, like Mr. Enuaraq indicated earlier, that he was concerned because he had been approached by many people from his area regarding the compassionate travel which was dropped from the program delivery. In my capacity as the Member of the Legislature for my area, I have been approached by people from Pelly Bay, Gjoa Haven and Taloyoak sometime to a point where people were almost pleading to get the program back. As I have indicated, we want to be compassionate, we want to be fair and we are not going to balance the budget on the backs of the poor. I am wondering, having recognized that, the philosophy and the goals of the government. My question to the Minister is, will the Minister reinstate the compassionate travel for the sake of the poor people, especially those depending upon the social assistance? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark for that long question. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, first of all compassionate travel for individuals on social assistance is not within the responsibility of the Department of Health and Social Services because the income support is with my colleague, Mr. Dent. But having said that, even if it were still within the jurisdiction of Health and Social Services, it was a tough decision to make. I can say that it was not taken lightly, and it was considered in great length. We discussed it in Cabinet when we knew that this reduction would bring a lot of controversy as it has as all Members have been approached at various times about this issue. When I go to leaders' forums or health board forums or meetings throughout the north,

it does come up, but I go back to saying that our first priority is to the patients who require the treatment. If we could, we would provide compassionate travel for all those families or individuals who required it, but we just do not have the financial resources to continue to provide all the programs that we did. We have to set the priorities and unfortunately, compassionate travel was not much as we would like to, was not one of the priorities when it came down between having travel for the patient or having travel for escorts, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. My long question was used to make up one of the questions I am not going to be asking. The final question, Mr. Chairman, is the honourable Minister indicating that we, the government, cannot provide a compassionate travel for a family of a dying person, all of the family of a dying person, but at least one person of a family of a dying person, the government could provide travel? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, as I indicated in my earlier response to Mr. Ningark, the boards do have policies in place for the medical travel and I know that they do make exceptions, depending on the circumstances and, how would you say, sometimes use their discretion in respect to travel for escorts. That is what I said earlier in response to Mrs. Groenewegen in respect to having local decision making, local input into recognizing what the priorities and what the issues are at a local level and responding to those issues accordingly, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Questions for Minister Ng. I just have one name left here, Mr. Evaloarjuk.

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Perhaps after that we could take a break while the drums are sounding. Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Thank you, Mr. Chairman. I just wanted to ask a short question in regard to women who go to shelters. Sometimes they bring many of their children to some of these shelters. I heard once there was a woman who left for a shelter just because she wanted to leave her husband. It seemed like when she wanted to go back home, she was able to return home at her own discretion. It seems to me that the men should be the ones taken out of the community, and I think that this way, the government would be saving money if they can remove the man out of the community instead of the woman. I feel that the social workers should be more open to this idea. How has this situation been improved within the department? I feel that the man should be removed out of the community instead of the woman because sometimes a woman may have more than one child. So, I am going to ask the Minister how he can deal with this situation as a Minister? Thank you. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Evaloarjuk. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, I think it is a valid issue the Member brings up. It is not an easy one to deal with. I think that how it has to be addressed is in the respect of community standards again on what is acceptable and not acceptable in different communities. I think the trend is that family violence against spouses is a profile of the issue that has been raised over the years. As a result, there has been a lot of active involvement of the community, individuals in the community whether they are non-profit organizations or whether it is community councils and leaders who have taken on the initiative to provide programming and shelters within their communities. I think the time will come in these situations where peer pressure from the community to have the man, in most cases, leave the community or be impacted more severely than the female come about. I think it is evolving. It is just a matter of time before more initiatives progress in that area, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Thank you, Mr. Chairman. My next question will be a final question. In Montreal there is Baffin House where patients go. Some women are married to a white person and vice versa. For instance, if I were to be married to a white person, some people tend to have accommodation in a hotel rather than the Baffin House. I have seen the situation occurring. I think that all patients should be treated equally whether they are married to a white person or not. I am going to ask this question, how often does a person who is married to a white person stay in Baffin House? I am just going to ask the Minister whether the government is treating people unfairly in this sense? There were some Baffin people down there who were staying in a hotel, and there were some staying in the Baffin House. Am I misunderstanding this? Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Steen):

Thank you, Mr. Evaloarjuk. Mr. Ng.

HON. KELVIN NG:

Thank you, Mr. Chairman. Mr. Chairman, without knowing the full circumstances on the specifics, I cannot speak the specifics that the honourable Member mentions. I think that what I would say is that different employers have different programs and benefits for their employees where some of them provide for their employees when they are out on medical travel to be allowed to stay at hotels and have different compensation structure. The Baffin House, from what I understand would be open to any individual coming out of the Baffin going to Montreal for medical treatment that required accommodation. By the same token, I think, if individuals choose not to stay, want to make other accommodations arrangements, then I believe there is some flexibility for some allowance to support them in that regard as well, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ng. I have reached the end of my list here, and I would like to recognize Mr. Ningark for some guidance.

MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, I would recommend that after the break we deal with Mr. Todd who is next on the list and that we now conclude Mr. Ng. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. Members agree?

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Steen):

After the 15 minute break, we will commence with Mr. Todd. Thank you.

--Break

CHAIRMAN (Mr. Steen):

I call the committee back to order. We are now on questions to the Honourable John Todd, Minister of Finance, Chairman of Financial Management Services. I recognize Mr. Enuaraq.

MR. ENUARAQ:

Thank you, Mr. Chairman. Good afternoon. Mr. Chairman, just two years ago when we first got elected to this Assembly, we all know that we were in deficit of \$150 million. Now my question to the Finance Minister today is that how much deficit are we in today after two years? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Mr. Chairman. I think our projected deficit without getting the audit statement which is around \$12 million which is substantially reduced from our projected deficit last year. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Enuaraq.

MR. ENUARAQ:

Thank you, Mr. Chairman. We only have about 17 months left before division which is April 1, 1999. How much deficit will there be at that date, April 1, 1999? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Todd.

HON. JOHN TODD:

Yes, I think I made an error in my response to the first question, I better clarify it. What I meant is our projected fiscal position at the end of this year is a \$9 million surplus. That is what I am saying. But there was a \$12 million difference between what we have projected and what we are ending up with on the accumulated side. If, you know I

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mean, one has to project financially making certain assumptions what we think the fiscal position will be on April 1, 1999. I think our original projections were somewhere around \$80, \$90 million of accumulated deficit. You know, I would not want to be held accountable for the number I am going to give you, but our best estimate, assuming no major catastrophes out there, would be somewhere in the range of \$30 million of our accumulated deficit on April 1, 1999. That is not taking into consideration pay equity issues, we had the major forest fires that cost us millions of dollars so we had God made catastrophe, et cetera. But certainly my most optimistic numbers, that is presuming we can stay fiscally prudent which I know we will, would be about \$30 million of accumulated deficit. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Enuaraq.

MR. ENUARAQ:

Thank you, Mr. Chairman. I, myself coming in from Nunavut area just a few weeks ago, the Minister of Finance tabled Transition Action Plan for Division. In order to keep that Transition Action Plan to move forward, I think we discussed that it would need at least \$136 million. Now, who will pay for that \$136 million? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I apologize but my hearing thing was not on, and I missed the last part of the question that Mr. Enuaraq asked.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Enuaraq, could you repeat the question?

MR. ENUARAQ:

Certainly, Mr. Chairman. Can you hear me now, Mr. Todd? My other question was that just a few weeks ago, the Minister of Finance tabled a document called Transition Action Plan and that is for the division to happen. Now, in order for that plan to go forward to become a reality we talked about that it would cost about \$136 million. Now my question to the Minister of Finance is, who will pay that \$136 million? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Todd.

HON. JOHN TODD:

Well, I will try to make my answer short, but I mean this one requires some preamble. The reality is that we believe in March, 1996, a shortfall in the original transition costs the federal government put in, in March of 1996, that was the \$150 million. At that time, in fairness to the federal government, we really were not in a position, either one of us I believe, to give an accurate detailed accounting of what we thought the transition costs would be. This exercise that we did in the creation of two new territories and the transition plan, from our perspective remember, provided us with a fairly detailed hands on analysis of what we thought was necessary and what we did is cost that. We presented that plan clearly to the Interim Commissioner, as advised, and you know in his response he is going to accept it that way, but also to the federal government to identify the magnitude of the shortfall. The reality is that depending on what consensus is reached between the parties as to the appropriate course of action, to some extent that consensus will determine how much additional monies we require. When that is determined, the federal government has to pay the bill. It cannot be paid by this government. We do not have that fiscal capacity or that responsibility. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Enuaraq.

MR. ENUARAQ:

Thank you, Mr. Chairman. My last question, when Iqaluit was running a campaign to become a capital of Nunavut, we were told according to Footprints 2 that when Iqaluit becomes the capital that Nunavut government job positions would be decentralized to such communities such as Pangnirtung, Cape Dorset,

Igloolik, Cambridge Bay, and so on. Now, can the Minister of Finance tell me in case the federal government cannot pay for \$136 million, and we do realize that in order to decentralize the positions in Nunavut area, we would require at least \$18 million. Can the Minister tell me in case federal government does not come up with \$136 million, would the positions still be decentralized or not? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Enuaraq. Mr. Todd.

HON. JOHN TODD:

Well you know I think the first thing is to make a general statement. None of this government has consistently supported the NIC model of a decentralized government. That has to be said upfront. I believe I did say it when we tabled the document we are clear because it was a public statement and the position of this government and continues to do that. What this report did do and has done is provide the fiscal costs attached to what we believe is moving the staff into the decentralized model. I believe that my honourable colleague is correct, it was \$18 million. As I said to you, depending on what consensus is being reached in the action plan, it will determine what additional costs are required, but clearly there is a fundamental, political commitment to decentralization. Therefore, when it happens it has to be paid for and at least we have for the time being, costed what we believe it would cost to do it. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Questions to Minister Todd. I have Mr. Henry and Mr. Erasmus in that order. Mr. Henry, MLA for Yellowknife South.

MR. HENRY:

Thank you, Mr. Chairman. My question to the Minister of Finance is, and it is I believe, more for clarification, I read a report in the newspaper where the \$136 million was identified as a cost for the creation of Nunavut. I believe the general public were aware of the \$150 million that had been previously granted to Nunavut for training and infrastructure. Could the Minister shed some light on criticism that the government has received that nobody knows what the costs are. I believe there was information presented by this government very early on that give a much larger figure. So I would ask the Minister to comment

on the amounts of money that have come in the past, have been asked for and additional funds that will be needed. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Could you summarize that into one question?

MR. HENRY:

Thank you, Mr. Chairman. Could the Minister comment on the amounts of money that have been allocated to Nunavut, the \$150,000 previously, the \$136 million that had been asked for and also the additional funds that have not been totally calculated for western processes for division? Thank you.

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CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I think Mr. Henry may be alluding to early on some of the previous studies that were done by some of the renowned Canadian auditing firms. I believe there was two done at the time where this government did one, previous government I believe, and I think the federal government did say this is what we think the cost of division is going to be. These numbers I believe, if my memory serves me correct, were somewhere around anywhere from \$350 to \$500 million. There is no question that those two reports were out there. But these reports were done at a time when it was not clear as to exactly what the new Nunavut government was going to look like. The NIC report which came forward gave a very detailed description of how the new Nunavut government should unfold. That then provided us and others like the Interim Commissioner to cost that government, and that is what we strove to do because I remember a year ago I said the next step after the Footprints in the Snow 2 documents came out was for us to cost that exercise with our partners.

In our costing we have determined that on a transitional basis, one time costs in an ideal world, it would be an additional \$136 million. But what I did say, in my opening comments and have said since then, is we should focus on the action plan. The reason that I say focus on the action plan and to reach a consensus on it because once consensus is reached on what we think we can realistically

accomplish that will determine what the costs are. The \$136 million, I said publicly last week, was not a request for that money from the federal government. It was to demonstrate to the federal government in an ideal world what the shortfall was. So, you need to bring the players to the table, the Interim Commissioner, western coalition, ourselves and the federal government to reach consensus on a course and an action plan that we think we can realistically accomplish in the next 18/20 months. Then cost that. I do not know what that is going to be yet because we still have not had the meeting, and we still have not reached consensus.

The difference between what was done before and what is done now - I just want to say it again. Again, I am trying to keep my answers short was because at the time it was done by Peat Marwick, or some of those national firms, there really was not the accurate detailed information that we now have. I am fairly comfortable that the numbers that we now have on the table - we are going to put on the table down the road as it relates to two new formulas are easily substantiated because of the backup and because of the detail that we now have. I do not know whether that answers my honourable colleague's question, but I hope it does.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Thank you to the Minister for that. Is it accurate then, to say that even with the \$150,000 that has been committed before, the request for the additional \$136,000 is still well within the two estimates that were proposed between the \$286,000 and \$500 million? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Yes, I think when you are talking a total cost of \$286 million. I guess what I am saying and I think I need to reinforce it is, that the time that the Peat Marwick, I could be wrong. I cannot remember the name of the company. It may have been Kellogg Thorne, or one of those big national firms. They really did not have the level of information that we now have. I think that is fair to say. I am relatively comfortable that the number

we have put forward in our creation of the two territories' plan is one that can be substantiated and not hypothetical. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Could we assume then also that whatever the transitional costs for the new Western Territory that it more than likely will still come in between that \$286 and \$500 million as was identified a few years ago?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I am not so sure that I can give my honourable colleague that kind of assurance. I guess what I am saying is depending on what consensus is reached on the action plan necessary to put the fundamentals of government in place by April 1, 1999. Once that is determined you can name costs that course of action. You know what I am saying? It could be in an ideal world. It could be, but I would be reluctant to give a definitive answer on something that is so fluid right now because we still have not got to the table. We have not seen the Interim Commissioner's transition plan. They know what ours is. The federal government, there is more than one player at the table. I think he is trying to reach a consensus on a course of action. Once that is reached. You cost it. You say to the federal government you have to pay it. I am fairly confident that can happen. I am fairly confident that at the end of the day, the federal government will pay for it. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. This is a different topic. On the question of RFPs, I think over the life of this Assembly, this particular topic has had much discussion. I think that it is fair to say that there is a lot of work in preparing an RFP. If I could refer specifically to the RFP for the privatization of the liquor warehouse. I believe there were eight proponents who put in proposals on that request. As I

stated earlier, I think it is fair to say there are large amounts of money expended in doing that. What consultation is there to a party in responding to an RFP, trying to put a package together to an organization in this particular case, the government who really has said we do not know what we want? This is what we would like to do. We do not know how to get there. What consultation is there to the time and effort that parties put into preparing those proposals? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Well, you know if you lose, there is none. If you win, you are happy. I guess that would be the one way to put it, but you know I could tell you this government and other governments do not have all the answers. Sometimes that is the reason for RFPs, because as Mr. Henry knows coming from the private sector, there is a great deal of expertise out there and you need to look for some creative solutions. It cannot always come from government.

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CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. In the tendering process when the results come in, the proponents get the opportunity to look at the creative ways that were used by other tenderers on that. In the RFP that is not available. So the proponent does not have an opportunity to learn how he can improve what he is presenting. He has no feed back. So, there has to be some method developed. I have no doubt that these projects when they are received by the government, they are evaluated and I would like to think that in every case the successful proponent had the best proposal.

I believe that should be able to stand on its own. So once the successful proponent is awarded the contract why can the rest of the proponents not see where they were short so that the next time something like that comes out, they will know where they will have to be more creative? So, what would be wrong in after the contract is awarded, the successful proponent has been identified that all other

proponents get an opportunity to look at what was presented? Thank you, Mr. Speaker.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I think for clarity purposes I want to advise my colleague the person in the tender process we do not open the books, we give the price only to the competitors. In other words, we publish the price. Company A bid this. Company B bid that, C, D, E, F, G. That is what we give under the tender process. The RFP process, as I said earlier, has been raised by a number of Members for a variety of reasons, I would imagine. It is a method that government uses to get some creativity sometimes when we do not have it. It comes under significant amount of scrutiny, usually by more than one department, in terms of the final decision, and then it goes up the pipe. So, it is announced. I think the Premier has indicated and Mr. Arlooktoo has indicated they are going to re-examine that. I cannot commit today to saying that we could show one competitor how the other competitor got an edge if it was beyond price. That is what I would say at this time. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. My final question on this area. If the proposals that were presented, I would think it is fair to say that there is probably always questions of clarity needed in them. One of the proponents on this liquor warehouse proposal complained to me that they never received any contact list, any government official for clarification of anything in their proposal. Is it reasonable to say that when a proponent presents a proposal that everything is that clear, that no explanation is needed? I think that if the proponent found it rather offensive that they had gone to a lot of expense and time to put this package together and the evaluation team, if you will, never even asked them anything about it or any clarification or anything. So, I think that what they were offended about is all the time and effort they put into it. They are number one, not going to get a look at how they stacked up against the other proponents. They do not get a call for any clarification. They do not get any input into it, and a decision is made. It is

extremely secretive. So that is what breeds discontent. What I would like from the Minister is some comment as to when Mr. Arlooktoo was going to be looking at this? When that might happen? What input ordinary MLAs will get, into that particular proposal? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Henry, that is two questions. Mr. Todd.

HON. JOHN TODD:

Let me say from the outset as a former entrepreneur myself, there is always a risk side. I am sure that my honourable colleague had been an entrepreneur extraordinaire as he is, would not dispute the fact that when you duke it out in the economic constituency that there is a risk side to it. There is no question there is a euphoria when you win, and there is a certain amount of disappointment when you lose. That is the first thing I have to say that. He is not suggesting to me that it does not take place. I think that does. I have said earlier, and I believe my honourable colleagues have said we are looking at this RFP issue. I know there is concern out there. As a matter of fact a number of my colleagues' constituents talked to me about this in the private sector.

I would commit as the Premier has to suggest to my colleague that we are looking at it, and I am not trying to avoid it, but we are looking at it. I do not know today exactly how it is all going unfold. But certainly, you have brought forward some legitimate concerns from out there that this government will try to address, as have Mr. Ootes, Mr. Picco and others during this House sitting. I would close by saying that RFPs are an essential element of getting some creativity, where the government simply has not got it. I think that it is a credit to the government that they are prepared to go out there and ask entrepreneurs like my colleague, Mr. Henry, and his colleagues in Yellowknife for that kind of creative solution to difficult problems. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Todd, I believe there were two questions. One I believe you answered as far as what Cabinet is going to do, and the other question was when would the Members hear about the results? Mr. Todd.

HON. JOHN TODD:

Good Chairman. Thank you. That is one less. Mr. Chairman, I would not want to put a time line to it at this time. Again, I am not trying to avoid it, but it crosses a number of departmental boundaries. Intimate discussions will have to take place. Analysis done of the political positions of a number of people. We will have to move forward and try to find an appropriate solution that protects the privacy of the tender process and at the same time tries to provide some transparency that my colleagues have been talking about. That is an extremely difficult issue to deal with, but we will do it and we will do it as quickly as we can. Thank you.

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CHAIRMAN (Mr. Steen):

Thank you, Mr Todd. Your last question, Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I would assume, Mr. Chairman, that these proposals are all evaluated by a criteria. What I would ask the Minister is, could at a minimum the proponents get the results of how they stood as far as the criteria that they were evaluated on? Where they stood on that criteria? Would he make that available to the unsuccessful component?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I am not in position politically to respond to that because this crosses other ministerial responsibilities and I will discuss it with my colleagues and in discussions try to determine an appropriate course of action. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Questions to Mr. Todd, Minister of Finance. I have Member for Yellowknife North, Mr. Erasmus and Mr. Picco for Iqaluit, in that order. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I have always indicated that I support the creation of Nunavut, as this Legislature as a whole, but of course, that support is

conditional on the fact that the level of programs and services for the people in the west should not go down. We have now heard that where, in an ideal world, there is \$136 million short to implement Nunavut. I would like to know at what stage we are at now in the negotiations to acquire the remaining money to properly implement Nunavut.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. As you know, there is a coalition committee of northern interests that are working with us, NTI, Interim Commissioner's office, western coalition and the Government of the Northwest Territories. We are trying to put forward a common position on the fiscal issues as it relates to transition or to incremental or relates to the two gross expenditure basis. This committee has been working extremely hard for weeks now. I think we are close to, right now, understanding what we think the dollars are we require. My department, Mr. Voytilla and company, and all the staff that I work with, have been working long, long hours trying to do some historical tracking of how this government has spent its money. I think we are real close on that one as well. I think we are also close on trying to identify what we think the incremental costs are as it relates to the models that have been put forward by NIC and of course the current status quo in the west.

It is my hope we will be able to secure a financial arrangement for the two territories that would protect, as Mr. Erasmus says, the essential services et cetera, that northerners both west and east have come to expect by the 31st of March, 1998. That is certainly the target we have set for ourselves. That is something that would be my optimistic side. I think there is a desire on all the parties to do that. There is a critical meeting, as we know, by myself and Mr. Kakfwi with Mr. Martin and Ms. Stewart next Monday. The issue of finance as well as a number of other things will be on the table. I think it is moving forward in a fair way. There is still a strong commitment by the coalition, and I mean the northern coalition to stand as one and hopefully, to come to a consensus as to what the final number should be. My closing comment would be, I think we are real close to be able to say what the numbers are and to be able to defend and substantiate these numbers with the federal government. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I understand the costing and that type of thing is going on. I also remember hearing several times there is not that much more money that is going to be going into this process. I would like to know what will occur if we cannot get a commitment from the federal government to provide enough money to implement Nunavut properly. Presumably, the only way to do that would be to spend more of our money and if you spend more of our money, \$100 million for instance, obviously the level of programs and services will decrease. Is there some point where we will say, that is it, that is enough, we are not spending any more money, and it is going to go ahead and will only go ahead on federal government dollars?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I think I indicated in my address when I tabled the Creation of Two Territories documents a couple of weeks ago, on the transitional side. I think, you have to define the difference between on the transitional which is one time cost and most of that money is spent by the Interim Commissioner. In fact, all his money has to come from the federal government so there is a sense of security there. I said if you go back to what I said with respect to tabling the document, this government does not have the mandate or the money or the responsibility to expend any major transitional costs to move from one government to two. I want to make that clear. I think that is what Mr. Erasmus needs to hear. That is clear. On the incremental side and on the two new gross expenditure bases, that is where we are on discussion right now with the federal government and with our partners in the process, NTI, Interim Commissioner and the Western Coalition.

I am encouraged with the fact that everybody has been able to stay at the table and the fact that consensus, at least touch wood, to date has been able to be reached. Frankly, and last, there is an adequate level of incremental costs which was recognized in the Nunavut accord where it said, reasonable incremental costs will be applied, when

we divide two territories. I believe federal government will ante up. Therefore, the concern Mr. Erasmus has got is will the level of service in the west deteriorate because of the division, I believe should not and will not occur. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I am encouraged by the Minister's faith in the federal government. However, I have dealt with the federal government for many years and I usually do not take everything they say until I see them sign on the bottom line. I know we are trying to negotiate two new formula financing arrangements for the two new territories based on what the cost will be to operate and maintain those two administrations as well as, housing and the rest of that. Do we have a plan if we cannot get a commitment from the federal government for that formula financing arrangement, so

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we can maintain the programs and services at the current level or at least close to the current level? Do we have a plan in place in case we cannot achieve that? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

I think you have to look at it as the federal government has made a commitment under a legal, political agreement signed called the Nunavut Accord. The federal government committed to reasonable incremental costs. Our task has been, and mine has been, is to identify what those incremental costs are going to be. To be comfortable enough in them that I could substantiate them to a man of Mr. Martin's stature, the Finance Minister. I want to be able to go into the meetings, at a political level, and say this is the amount of money we need, Mr. Martin, this is why we need it and here is the substantiation. I have got to assume, and I know there is always a danger of assuming, that our arguments are strong enough, that the federal commitment is strong enough that we will be able to move forward to reach the level of financing and the level of comfort we all need that will bring the incremental costs to the new formulas and

ensure services continue at the level we have been used to. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. In a different area, the Minister is also in charge of overseeing Affirmative Action. Since we have dismantled the Department of Personnel, there is no independent agency within the staffing process. We are supposed to be putting more emphasis on the managers, deputy ministers and Ministers of their own departments to ensure they increase the percentage of employees with Affirmative Action status in their departments. We have, this is quite some time now since the Department of Personnel was dismantled and we were supposed to increase these figures or percentages through this new process, I would like to know has the percentage of employees with Affirmative Action status actually increased since we have done this?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Let me, first of all say, the Premier has made it pretty darn clear to the Cabinet that they are responsible and each of the Ministers here are politically responsible to ensure there was an increase in Affirmative Action in our civil service. From my perspective, I see as that is where it fundamentally lies, and they will be held accountable in this House and to the public for their action or, heaven forbid, their inaction. It has to trickle down from there. I do not have all the statistical information available at my fingertips today, but I am assured by most of my colleagues there has been an increase in Affirmative Action employees in most departments. I can get for my colleague, a detailed breakdown of that where it was before and where it is now. Suddenly, there is a political desire on the part of all Ministers to ensure that northerners and aboriginal northerners are given top priority in the job market when it comes to this government, its agencies, its boards, et cetera.

The other thing I am pleased to say that we did appreciate the hard work that was done by my honourable colleague and his two other colleagues in

the subcommittee on Affirmative Action and I believe we have reported fundamentally, positively, to their report and in fact are enacting a number of the recommendations they made, as we speak. So I hope we are able to demonstrate to him, two responses to his committee report and through the fact we made it a political responsibility to increase the northern and aboriginal northerners into the government workforce and the third part, I can provide my colleague with the detailed information later on, I do not have it at my fingertips at this time, sorry. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Questions to Mr. Todd. Mr. Erasmus, you are at question number five.

MR. ERASMUS:

Thank you, Mr. Chairman. I appreciate that the Ministers have indicated the numbers of Affirmative Action status employees are at least holding their own if not increasing. However, when we make major changes, and we indicate that it is going to increase efficiency and to help us operate better, then the only way we can determine if this is actually happening, is to look at reports and look at numbers and the rest of that. The Minister has indicated that he could provide a detailed break down, so I would like to ask him when we can get such a detailed breakdown of each of the departments, so the Members can actually see for themselves that we have increased the efficiency of the Affirmative Action policies through this new method? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Well, you know clearly, Affirmative Action and Northern Recruitment, the way I covered it, is a high priority for all of us. Not only is it morally the right thing to do, economically, the right thing to do. It is just good for the country. One example that my colleague who just left, Mr. Arlooktoo should be applauded, is he tells me he has an eight percent increase in his last year on Affirmative Action in the Housing Corporation. For example, if my memory serves me correctly, I believe the Premier indicated to me that he expected Ministers to table, on an annual basis, the results of their actions on Affirmative Action. However, what I will do, I will undertake to do an accumulative analysis of Affirmative Action, where

we are now, and where we are a year from now and give that to my honourable colleague in this House, as quickly as I can. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I would like to indicate that I appreciate the commitment, and I look forward to looking at the status report of where we are at with the Affirmative Action, increase, decrease, or whatever.

What I would like to know is, whether there is currently any independent person involved in the staffing process? For instance, in the screening and the interviewing, by an independent person, I mean a non-government employee.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Well, the short answer is no, Mr. Chairman. What we did do is change the way in which we recruit people, to put the onus and responsibility on individual Ministers, rather than just one that was responsible to the old Department of Personnel. The responsibility for recruitment lies with the departments. I believe it has now been fielded out to the regions. They understand what the policy of this government is as it relates to recruitment of northerners and

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Affirmative Action employees. There is no independent, in most cases I do not think there is any independent third party at the table. No. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. The reason I am asking is because in a couple of provinces, there is a labour representative that sits, right from the beginning of a staffing process, screening, going over the job descriptions to ensure that the educational requirements are not too high, to ensure that

equivalent experience is considered and also within the interviews. And what I would like to ask the Minister is whether he would consider allowing an independent monitoring agency such as, perhaps, representatives from aboriginal organizations to sit in on the staffing process in the large centres, such as, Yellowknife, Rankin, places like that? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, I fundamentally believe that the responsibility lies in this House for the policies of this government, and the Affirmative Action Policy and the recruitment of what I call northerners, long-time northerners, like myself and my kids, the onus and responsibility lies with the Ministers, and I believe this House will make Ministers accountable. So I would not be at this time in favour of trying to add a third party. I understand where my colleague is coming from, but I fundamentally believe that I have to take responsibility for the policies of this government on an annual basis. There is transparency in the process because we can table it on an annual basis, and Ministers can then be held accountable for their actions. I would be reluctant at this time, to pursue something of that nature. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus, you are at question number eight.

MR. ERASMUS:

Thank you, Mr. Chairman. I understand perfectly well that the Ministers and deputy ministers are being held accountable for the numbers of Affirmative Action status employees. However, the Ministers and the deputy ministers do not sit in on each interview. They do not sit in on the screening. How do they know? How do they make sure that the various people being interviewed are being treated fairly? That is my whole problem with this process. All they know is whether the numbers are going up or down. They cannot ensure that people are being treated fairly in the interviews. So what I would like to know is how do they ensure that people are being treated fairly within the interviews? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, we have a very professional civil service that has been around a long time, most of it, thank goodness. Many of it, is aboriginal, and more and more is becoming that way. We have to have some faith in these people, somewhere, that they have the capacity to be professional, fair, equitable and transparent. If they do not do that, there is an appeal process in place where an employee can appeal. I am comfortable that where there may be some cases where people feel they have been treated unfairly, I am comfortable with the capacity of the civil service to recognize and be fair in the recruitment process. I am comfortable there is an appeal process in place, if an employee feels they have not received their due, as they say, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. I have questions for Minister Todd. I have Mr. Picco from Iqaluit, Mr. Roland from Inuvik and Mr. Ootes, in that order. Mr. Picco, the Member for Iqaluit.

MR. PICCO:

Thank you, Mr. Chairman, thank you to my honourable fans. I guess I should start off, Mr. Chairman, just by doing a little bit of a review here on the Minister and his staff. They have a very tough portfolio. The Minister with his abilities has been able to bring forward a balanced budget over two years as he insisted on at the beginning. I was one of those people who wanted to cut it to one, because I did not understand the depth of the problem at the time, and the two year program seemed to have worked. His department has come in with some good investment opportunities. The student employment program, the deficit reduction, balancing the budget, and also, the way that he has helped redistribute revenue to help rebase areas of shortfall, I think is something we should commend the Minister on.

I would like to begin my questioning today of the Minister and his department. The Transition Action Plan that was tabled by Mr. Todd a couple of weeks ago and that his department has had lots of time and has worked on, put a lot of energy into, indicates that there is a lack of office space, and that was identified. Has the Minister instructed the division staff to look into accessing houses that might be made available to facilitate the extra office space needed? Will he

commit if he has not already done that, to look at it?
Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Mr. Speaker, I believe that was two questions. Yes I will commit to looking at it and no, we have not looked at the housing, but that is probably a good idea.

CHAIRMAN (Mr. Steen):

Mr. Todd, if you think there are two questions, perhaps you could give two answers. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, in all seriousness, first of all it is not often I get flattered by my colleague from Iqaluit, I thank him for that, sincerely, especially after yesterday. But I think that clearly there is a shortfall of office space in Iqaluit, particularly if we are going to move somewhere in the region of roughly about a 150 bodies in the first year or so.

You have to understand, that we are not solely responsible for division. In fact the Interim Commissioner is charged with the responsibility. But we are on discussions with his office and with NTI at looking at possible alternatives. Housing could be a good one, I agree with that, that is a possibility in the short term. The private sector, there may be a number of options in Iqaluit that we have not looked at. I think office space is a concern and is certainly a priority at looking at short term options prior to the new facility being constructed, which I believe is in the Fall of 1999, which is projected to be complete. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. This is good news. I think it will help to relieve some of the anxiety that we have

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right now. We will be able to staff more positions for the Nunavut government if we have that office space by using houses. or be to the point where we can

facilitate it through other means, and not just simply free standing buildings and office structures.

My second question concerns a question that I have raised about three different times in the House, and I raised it again a couple of weeks ago. I earlier raised the possibility of a tax break for low-income families and single-parent homes. Has the Minister had an opportunity to address that? Has he got information back on this question? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I believe, when my colleague wrote to me, he was looking at the possibility of a tax break for low-income, single-mother families. I am analyzing that, as well as just low-income families. You know, we need to find some ways to give those, on the bottom end of the income scale, as much support as we can. There is, of course, a cost to everything, whether you give the business community a corporate break, whether you give personal income tax breaks, low-income family breaks, there is a cost attached to it. And at some point, I have to balance that out with new revenues. I would like to, first of all, publicly thank my colleague for that recommendation. We will evaluate that and I want to ensure him we are but I cannot commit to him today as to whether in fact, we will put it in place in the new budget in January. Certainly, we are taking a hard look at it because, clearly, something has to be done. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco, your third question.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, I appreciate the Minister looking at it, and I hope we can do something for the budget because that need is definitely out there and has been demonstrated. My third question is, Mr. Chairman, can the Minister update the House on the financing negotiations for Nunavut, and when the Minister will be sitting down with the federal Minister at the political level, Mr. Martin and Ms. Stewart? Is that going to be soon and would he be able to come back to us with a report of that meeting?

CHAIRMAN (Mr. Steen):

Mr. Picco, do you have two questions there or one?

MR. PICCO:

Thank you. No, there was just one question on the meeting facilitation with Ms. Stewart and Mr. Martin as an update on negotiations that we are gearing towards, the gross expenditure base and the transitional incremental costs for Nunavut, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Well, I would like to save my colleague a question. I did answer that question. Mr. Erasmus asked me that earlier, but I will answer it again. Basically, myself and Mr. Kakfwi are meeting with Mr. Martin and Ms. Stewart next Monday on a variety of issues. One of the issues, of course, is the two new gross expenditure bases for the new governments. The incremental costs that we think we have now identified, or closely identified, and the substantiation for that. So at the political level, because, remember there is also an official level, there is the detailed discussions that take place to substantiate and justify the expenditures. At the political level, I would hope that we would have a frank discussion next Monday evening in Ottawa. I would be able to report back to my colleagues, as well as my colleagues in NTI and the western coalition the results of this meeting. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, over the past two years, in conjunction with the deficit reduction strategy, the Minister has put certain items on the agenda. The Department of Finance, with the guidance from Justice, made decisions like pay equity, the Public Service Act, in conjunction with NWTTA, that has cost this government more money. I guess the information that we received seemed to have some flaws in it because we lost those court cases. I wonder, has the Minister reviewed the goings on of those different items like the PSA Act, the NWTTA, the retroactivity, the exclusion of over 1,000 people from the bargaining unit? Has he reviewed the advice that he had received when he

made those decisions for clarity and direction? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Like any other good Finance Minister, you review all the battles you lose and you review all the battles you win. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco, you are on question number five.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, that was a very good nondescript answer and so, instead of wasting my questions, I will go on to a different topic. Mr. Speaker, last week we had a briefing on the Aurora Investment Fund. I guess I would like to follow up with some questions on that fund and again, just for transparency, and the public at large know what is happening with that fund. I tried to bring these questions forward, Mr. Chairman, not out of a vendetta, or witch-hunt, or conspiracy but I believe that, as an instrument of government, then the public has the right to know. Are there guidelines, that could be tabled in this House, in regard to how you qualify and the loan granting criteria so that the public will know so we can table in this House. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

I thought I was going to get through this questioning without the embellishments and the adjectives that my honourable colleague frequently expounds and, of course, he does not like it when we do it back. Yes, there are guidelines and, yes, I am prepared to table in the House to ensure there is transparency in the process.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. That is indeed good news. Will the Minister also table in the House when he tables the guidelines, the number of loans that have been to date, the amounts and the industry sectors and the jobs that are created so that the process is transparent and open so that the public can see that indeed this Aurora Fund has been a success

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and, that we are extolling the virtues of a strategy that Mr. Todd has brought forward so serendipitously that we are so proud of? Thank you.

CHAIRMAN (Mr. Steen):

Mr. Picco, could you summarize that question?

MR. PICCO:

Yes, thank you. There is only one question, Mr. Chairman. I said, is he going to table the guidelines - so I said if he is going to table the guidelines, will he also table the number of loans done, the amounts, the industry sectors, and how many jobs have been created so that the process is transparent? It is just one question. Thank you.

CHAIRMAN (Mr. Steen):

Mr. Picco, I could count to three there. Mr. Picco.

MR. PICCO:

Thank you. Will the Minister also table in the House specifically on the loans that have been done to date, not the names I do not really want to know who got the loans because I know you cannot do that, but just on how much has been given out and so on and so forth. I think the Member has heard the question now three times, so I think he knows what I am saying. I think he is ready to answer. Yes, I can see he is ready to answer over there. Let him answer that one question.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. I just want to remind the Members that we are supposed to be allowed eight questions, and if you can shrink and summarize them into one it will be counted as one. But if there are three separate questions, it is hard to summarize them into one. I will treat it as one question for now. Mr. Todd.

HON. JOHN TODD:

I want to applaud my honourable colleague who frequently champions the need for transparency in the government. I have some problems with this issue because I fundamentally believe, not because we do not want transparency, I do not think we should ask the Canadian Imperial Bank of Commerce to table who they lend their money to in this House. Now, I know he is going to tell me, well, the government financed this fund and that is true. But they repay it so there is a net impact to the government. I would have to look at it because I think we are invading people's private requests for money. Nothing else. I think, if we table that criteria for the funding, et cetera, it should reassure him whatever. I do not know quite where my colleague sometimes goes with this stuff, but you know he does have a tendency to read novels and watch Oliver Stone movies.

I would be prepared to table in the House at this stage, the criteria for this fund and the conditions set by it. Perhaps, how many loans, I am not prepared to table who gets loans. That is a private matter, et cetera. I know but I am answering it. Do I hear an echo? You know, I have a bit of a philosophical difference with my colleague on this issue because I feel it is a private matter. It is not because I do not want transparency, but I believe it is a private matter. When I put my money, what little I do have, into CIBC and in GIC's or whatever, I do not want to ask them who they lend the money to. This is a private fund, funded by outside investors from offshore, so I will have to work out, to give my honourable colleague comfort, the level of detail he wants. I will commit to doing that so there is at least some level of transparency so he is comfortable in the world he lives in, with the phone calls he gets from his constituents with respect to this fund and reassure him that we will do the best we can to bring forward as much information as we can so he will stop getting phone calls about it. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Yes, Mr. Chairman, I appreciate that and I did not ask for any names. I only asked for the amount of the loans. I asked how many had been done in the industry, within the retail trade, within the construction trade. I do not read Oliver Stone novels. I read Kafka, I read the Prince of Machiavelli. I am not asking these questions in a facetious manner, Mr. Chairman. I am asking in a

serious manner. I try to raise issues of open government because that is what we are charged to do here in this Assembly, is to guide and guard the public purse. I have a question. As Chair of the Division Committee, will the Minister arrange a meeting of the Nunavut Caucus in cooperation with the Caucus Chairman, sit down with the Interim Commissioner to review the transition plan and to see where we are right now because we have not had a meeting for a while. So that is my request, will the Chair of the Division Committee be looking at that and is that one of the roles that the Minister plays? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, sure. I thought we were reviewing government here. Yes, I will do that if that is what you want. Yes.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, is it number eight? Number six? Number eight. Thank you, Mr. Chairman, that was a good question on the meeting with the Interim Commissioner because it is government that we are talking about today. One of the roles that the Minister plays, the thespian that he is in this House, is as the Chair of the Division Committee it falls under his mandate. My final question, Mr. Chairman, is regarding the draconian legislation that was brought forward by the Minister, the Public Service Act. I am wondering, will the Finance Minister direct the FMBS to look at changing the Public Service Act, not all of the act, just the part that benefits of free collective bargaining can actually take place and so that is my question. Will he look at the Public Service Act and hopefully, amend it to allow a free collective bargaining. As a former union negotiator, union facilitator and organizer in 1965, Mr. Todd is fully aware of the need for a free collective bargaining so I wonder if he would direct his staff to look at the Public Service Act.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, I appreciate my colleague's question. I believe I answered that question last week or early this week. If he reviews Hansard, I think he will find my answer. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Questions for Finance Minister, Mr. Todd. I have Mr. Roland, Member for Inuvik, next on the list.

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MR. ROLAND:

Thank you, Mr. Chairman. I think we sometimes look at this department as one of, I think we look at this sometimes in a critical eye because it has to do with financing of what happens in there and we scrutinize it even more so. I believe that is a productive role to play, as a Member of the Assembly. We sometimes think we can call the Minister responsible for FMBS the Minister of expenditures.

Mr. Chairman, we have talked about the spirit of open government, transparency and a new way of doing business. We have seen a lot of changes. We have heard a lot of concerns. But I would like to address some of this in the area of transparency when it comes to our capital planning process. Right now we have a five-year capital plan process and I would like to know from the Minister, how is this plan implemented? How are projects put onto this plan? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Before I move on to Mr. Todd, could I ask Members, if your microphone is on, do not tap your pen. It is hard on the ears. Mr. Todd.

HON. JOHN TODD:

I think you have to be a little historical in its perspective when you talk about the capital planning process. You have to look back to a number of years ago, prior to this government and the previous governments, as to how that was done. It was basically done by departments, and Cabinet made most of the decisions. They made some arrangement with a few Members, I think it would be fair to say that is the way it took place. For some of us who are seasoned political watchers, we know that is the way it took place.

The previous Premier, to her credit, Nellie Cournoyea came forward with - while it may not be an ideal situation, it did embrace more people in the process - where she asked individual communities to determine their appropriate needs and their priorities accordingly, and to discuss these with the local representative MLAs. That process then came into the system five or six years ago and was put into the planning process.

Under Mr. Morin, the current Premier, we embraced a new committee system which enhanced the participation and increasing of the circle of participants in the planning for capital dollars. We work with committees to determine appropriate priorities; where our money should be spent, through the envelopes and through the different committees that were put in place. That situation, while not ideal, is certainly far better than it was in previous regimes. I fundamentally believe, there is transparency in the system. If you go to the actual basic level of public government at the settlement council, hamlet council and village council level and say to those institutions, along with the local representative, myself for Keewatin Central, my colleague from Inuvik and ask them to participate in what the priorities are and what the needs are to forward that into the Premier's office. We collate it, put it into the system and it comes back out to committees. We duke it out in committees and at the end of the day we vet it in this House and vote accordingly. Maybe not a perfect situation, but it is certainly better than it was before. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Once this plan is established and you have an up-to-date five-year capital plan that is reviewed by all parties involved, how do changes in this capital plan occur? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

I think it is important to point out that I did miss one small, minor detail, and that is the capital plan. It really has to be built around the fiscal resources we give to it which I determine as the Finance Minister based on the overall budget. That is an important

issue. Capital plan has gone from we talked about it for some time now - \$180 million to \$200 million to \$130 million. There is a great deal more pressure on the capital plan than there was in previous years because everybody wants everything, et cetera. Changes in the capital plan are done, as my colleague is suggesting, significant shifts in capital money within the capital plan? Maybe I can get some clarity on that and I would suggest, Mr. Chairman, if I may, that you would not penalize my colleague with respect to questions. If I could have a little more clarity on what he means exactly. If he means significant capital shifts or does he mean emergencies or burned down schools? What exactly does he mean?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Referring to a capital plan that has been reviewed and looked at, what changes can occur? And how do they occur? Whether it be from a fire or if a community decides that it has a project it wants to put forward. How does this capital plan change? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

One of the things we instituted, through the Premier's office in the capital planning process, was to give as much maximum flexibility at the community level as possible. If a community wants to go from a road to an arena, that is their choice. We have said, rightly or wrongly, that accountability and responsibility lies at the community level. This is one example. The changes could happen there because we have mandated and given the responsibility at the basic community and political level. That is one way it could change.

A school burns, it is obvious you have to build it again. You go out there and you try to get as much insurance money as you can, and of course, we have a million dollar deductible in this government, so that is all part of that factor. Fiscal resources change capital planning. If things go well or if things go bad there are a variety of factors, Mr. Chairman, that can effect the capital plan. The fundamental is, if you get input at the local level which includes the MLA, who

establishes the priorities of the community and it comes into the system we hope, I cannot quantify unless my honourable colleague has some examples, that 95 to 99 percent of that stays there. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Any changes to the capital plan would happen with the consultation of the community involved and the Member representing that

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community? When would this consultation happen? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

If memory serves me correctly, and of course I could be wrong, but I believe that I have to advise if there are any shifts in capital to the standing committees. I believe we have a process, which is another transient process in place that if there is a shift, I have to advise the standing committees. I believe I also have to do that if memory serves me correctly. I would hope that if there are some shifts in the capital planning, that the Minister responsible for that advises the MLA and the community at large, what has happened. If the community decides to make some changes, I would hope they would involve the MLA. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. We have heard of the capital planning process and a lot of it depends on the funding and fiscal situation of the government. We have recently heard of possible alternate funding sources, public/private partnerships. How would that increase or encourage projects to be moved forward in the capital plan? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

I think what we have been trying to examine as a government, is first of all we have recognized that over the last two years we have taken roughly about \$100 million of the capital plan. That is a significant amount of dollars because we do not have the dollars and can no longer put to building public infrastructure that is desperately required for the schools, hospitals, that I am sure my colleague is leading up to, or roads. The fact of the matter is \$100 million less is being spent on infrastructure. I have taken upon myself, with the support of the Cabinet and the Premier, to look at what other provincial jurisdictions are doing creatively to find ways and means to bring back the level of capital spending that we have been accustomed to over the last ten years.

You have to pay for that no matter how you do it. It has to be all within the fiscal framework of this government and meet the deficit elimination legislation this House passed, et cetera. One of the means that I have been advocating, and you have heard me speak about on a number of occasions, is, the public/private partnerships where we find a combination of both private money and public money to bring forward some of the projects that were on the plan before and no longer are. I am hopeful that, by the middle of November, we will be clear on what the policy should be. I obviously have to seek committee input to it and, of course, Cabinet approval. Once that is done then we would be analyzing what, if anything, we could do in relationship to this new policy and this new approach to some of the capital spending. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Along with the capital plan comes a lot of controversy when we speak of how that money is spent or how contracts are tendered. We have heard recently in the House about the amounts when you total all of these up. It is a substantial amount of the contracts that are either negotiated, sole-sourced or put forward in RFPs. Can the Minister inform us as to the conception of RFPs if, when they were first brought in, were they designed to come up with a plan and then tenders were to be released? Is that the first stage of RFPs? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

I do not know the answer, but if I could give you my interpretation of what I think RFPs are, as I tried to when Mr. Henry or somebody questioned me earlier. I fundamentally believe that RFPs are the ways and means in which to find entrepreneurial input into creative solutions as to how we should solve some of our problems, whether it is building roads, building hospitals, et cetera. I do not think it is anything else. I know there is a concern out there by a small majority of the business community. It is a legitimate concern. We have to try and answer that. I think I said that earlier on today. We are going to try to do that. It will probably become more so when it comes to public/private partnerships. All we are trying to do is to try to maximize government dollars to get the infrastructure required into the constituencies we all represent. That is the objective. How we get there at this stage of the game, there could be a variety of ways. It does not necessarily always have to be by the public tender process. If we had left the darn public tender process in place over the last ten or 15 years, how many aboriginal organizations would be in the private sector now? I have sat back here for 30 years and watched a minority group of non-aboriginal businesses take all the business and all the money. You have to find creative ways. You have to make political decisions to find a balance within the economic constituency. RFP may be one way. Negotiated contracts is another way. Public tenders are another. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. That was three questions. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Can the Chairman advise me as to how many questions I have left?

CHAIRMAN (Mr. Steen):

Mr. Roland, that was a question. Mr. Roland, question number seven.

MR. ROLAND:

Thank you, Mr. Chairman. For a while there I thought my honourable colleague from Nunakput was

corrupted by Cabinet. Mr. Chairman, I apologize for that remark. It is unbecoming of me. I am sorry. Mr. Chairman, maybe the Minister can help clear the air surrounding RFPs because there seems to be a link. When an RFP goes out, there is not a definite criteria to be met, it seems. Once an RFP is selected, it is not guaranteed that the price brought forward is the one because there is a bit of negotiation back and forth to finalize the process. Maybe, the Minister can clear this up by saying is there a connection between RFPs and can they be considered in partial at least as a negotiated contract because there is some work or is the price that is given at the time of the RFP, is that the price that is selected? Is the price firm once the RFP is accepted?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

Well, I am obviously not as knowledgeable about RFPs as I should be, but my honourable colleague, Mr. Arlooktoo, really handles most of those. No, a

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negotiated contract is with one party. The Cabinet makes a decision to negotiate with company A and to make an arrangement to ensure that there is a balance within the economic constituency where there was not historically in this government. I think we have achieved a great deal over the last ten years in some of these negotiated contracts with aboriginal groups in providing a balance within the economic constituency. I have to get that in because I think it is important to say that. On the RFP, it is a publicly tendered, if you want, process where anybody can put forward with their request for proposal. It is not in my opinion, anyway, a negotiated arrangement approved by Cabinet. Negotiated arrangements are approved by Cabinet. RFPs are issued by departments. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. You have one final question, Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. I think I missed the most important part of his answer, but I will ask a different question instead, leaving the best for last. I like to see the Minister get excited. During this 13th

Assembly the concern has come to surface about the potential of changes in the five-year capital plan. We have heard from the Minister who can effect the changes. After a committee or the Legislative Assembly has removed a project, is it the practice of this government to bring it back forward through supp?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Todd.

HON. JOHN TODD:

Well, as my honourable colleague knows I respect his frequent and wise council on many of the policies that relate to this government. In fact, every morning, Mr. Chairman, I listen intently to the guidance he gives me and try to make adjustments accordingly as I move forward to give my advice to the Premier and Cabinet. So, my colleague has a significant influence in the way in which this government's policy are undertaken. The question in respect to capital that is taken out, how does it get back in? Again, it could be for a variety of reasons. If it does get put back in, it would either get put back in under a number of ways, a special warrant, supplementary appropriations, et cetera. We do it all the time. It is common business practice with this government that where there is a requirement for additional dollars, there is a project or a program that requires it. It is justified. We do it, and then we bring it back to committee through the supp and back to committee through this House. On the program side we approve \$4 million worth of reprofiling health care two or three weeks ago. That is one example. That is just the reality of the FMB and the Cabinet doing the job that you have tasked it to do. But, it is certainly not done in isolation of the wise council and the frequent advice that we get not only from MLAs as individuals, but in terms of the committee and the House that ultimately has to approve the supp. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. I would just like to remind Members that just as we allow questions to be repeated for clarification, I believe we could allow answers to be repeated for clarification. So, if you are not clear on the answer, we could ask the Minister to repeat it. We are on questions to Mr. Todd. I would now recognize the Member for Yellowknife Centre, Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. I would just like to bring the attention, first of all, of all Members in the interest of time, we have ten hours until midnight. As my colleague next to me said, we will turn into pumpkins by that time. But we do have five Ministers to review after this particular department. I just want to bring that to the Members' attention because we do have a lot of work ahead of us. Dealing with my questions, Mr. Chairman, we have been dealing with the Agenda for Change. That agenda has listed ten priorities. I will refer to the first three. One was to secure our financial future. Two was to improve social conditions, and three was to improve our economic conditions. I understand that the government has indicated that they do wish to pare that down and to concentrate on three particular areas which I think is essential and necessary. First of all, dealing with the first item on that Agenda for Change and that was, securing our financial future. I think that we have in a sense done that by eliminating the deficit, but we do have a problem with number three, improving our economic conditions. The fact that we achieved our financial security resulted in the capital budget being cut by \$60 million, and a lot of employees being laid off by this government.

Now that has created a certain amount of unemployment. Additionally the cut in the capital budget has resulted in the loss of a lot of jobs in the construction industry. According to the NWT Construction Association that was around the 900 job level. In dealing with the allocation of funds for this government, it has been a necessity because of forced growth to keep the funds in the social envelope area and allocate more funds because of forced growth. But the two departments, Department of Transportation and the Department of Resources, Wildlife and Economic Development have been trimmed, and they have no funds for job creation. I think I am asking an overall question here of the Minister. I think he is aware of my concerns with where we are going with the social problems. We have and we cannot continue that way. I would like to get the Minister to speak on it for a minute or two because we need to readjust ourselves here in the territories in a different direction or we are headed for real trouble. Perhaps, the Minister could speak on that for me.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Thank you for reminding us of the time we have left. I would like to remind Members not to make statements, just ask questions.

Preamble is allowed, and I will direct your question now to Mr. Todd.

HON. JOHN TODD:

That is a fairly sweeping question to ask so I am going to take some time to answer it if that is okay with you, Mr. Chairman. We got into this government two years ago. We had \$150 million problem. We had, in fact, a \$230 million problem because of gross expenditures that were over \$40 million a year in the social envelopes. No question about that. We had to undertake unprecedented change against all odds that were facing us. People did not want to give up wages. The NWT Construction Association did not want to give up capital. No one wanted to give up programs, et cetera. So we had to make tough decisions, and we made the tough decisions where we took the monies from each of the programs and each of the envelopes in government. We tried as much as possible to protect social envelope. We have an obligation and responsibility to protect your weakest link. We want to make sure that people on income support, the people on low wage, et cetera were being protected and contrary to what we have heard over the last two years. The

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fact of the matter is we only took 1.9 percent of the total social envelope budget out of that budget while we had to take the rest of it out of areas that were stronger. Yes, we had to take it from the capital budget. Where else would we have taken it from. Health care? Did not want us to do that. Education? Did not want us to do that. Public, sure as heck did not. So, somebody had to make the tough decisions and we had to make them fast because if we did not make them fast, today we would be sitting with \$200 million accumulated deficit, paying about \$40 million in interest payments, et cetera. So these decisions were difficult and they did clearly have an impact on the investment community, on employment of northerners, et cetera.

I do not think that we have secured our financial future. I think that all we have done is balance the budget, and we have ensured that for our future generations and for my kids and my neighbour's kids at least there is not going to be any debt while this Cabinet is in office. What we have got to do over the next 18 months or two years that is left is do exactly that. Create an economic environment that provides new investment to replace the government dollars that are no longer there. Let me remind everybody,

the federal government cut us \$60 million on an annual basis. Forced growth was costing us \$40 million because of population explosion, health care, education, social and income support, et cetera. These are costs that are not controllable. These are costs that in some cases we are legislated to pay for. That was the dilemma that we were facing, all of us and we all cooperated, however, reluctantly some of us, cooperated to do exactly that.

Where are we today? Today we are in a position where we have a tiny, tiny surplus of \$9 million that is going directly to the accumulated deficit. We are moving forward with Mr. Kakwi's department and others to try to find ways and means to secure and improve the economic conditions that exist in this country. To do that, what are we going do? It was pretty darn obvious to most of us, and certainly to me that if you have less government dollars and if the government, historically, has been the engine of the economy and growth in this country, including Yellowknife, with office buildings, and the towers that are up there which all came about because of government spending, then we have to find alternatives. To find alternatives, you need to provide an investment climate on a level playing field that is going to attract, outside money coming north to make it work for northerners. That is what we are trying to do, and that is what some of us have been trying to do for the last two years.

What did we do? We did not increase the corporate income tax. We kept it at the second lowest in Canada. We made no increases to the personal income tax, we kept that at a fair and reasonable rate. We are going regulatory reform in an effort to cut red tape, so that small business and big business can proceed and get out there and replace government jobs that we can no longer can afford. We reassigned \$16 million and levered it to \$32 million in an employment strategy for those on the bottom end of the scale, the people who need it the most, the ones who do not have jobs. We have moved aggressively, and everybody knows what my position has been on the diamond valuation and sorting and the diamond industry as a whole. We are under discussions with Mr. Martin, right now, in an effort to increase the tax window for this government, so that we are not penalized every time we manage to improve our fiscal position by the nonrenewable resource industry. We are trying to move effectively forward with division to ensure that has adequate levels of funding so that the two new governments can operate and function with a

level of comfort and a level of service and standards that we have become accustomed to.

It is certainly my intent, with the support of the Premier and my Cabinet colleagues, to move forward very aggressively on trying to create an investment environment that will bring new and existing money into the territories and make it work for northerners. On the more, on the smaller side of the scale, we went out and we did the Aurora Fund, which brought in somewhere between \$25 to \$30 million new investment capital. We are out there right now on a second Aurora Fund in an effort to find new capital dollars for northern business. We are examining, and I do not want to divulge it now because I have a budget to do in January, but we are examining some tax structure that may make this a more attractive environment. We are looking at the possibility of bringing forward some tax credits and RRSPs, if they are invested in small business, et cetera. The difficulty for all of us was, and the fact of the matter is, historically, government spending has been the engine of the economy, and it was very difficult for many of us, including myself, to make the adjustment that it no longer is going to be.

I think we have a fairly aggressive plan in place to hopefully provide an environment, because that is what governments do, provide environments, for the dollars to be replaced by some form of investment dollars whether it is in the form of tax windows with a nonrenewable resource base, in particular, our friends in the diamonds, or whether it is to invest in a small business, like some of my colleagues in the House here, or others out there. It has been an uphill battle because there is an environment of unease, which I recognize, particularly in the investment community because of the dramatic changes that took place both in the budgetary exercise and now with the unease and uncertainty with respect to division.

It would be difficult at the best of times to create a stable, creative, investment environment. Never mind the fact that we are cutting and now dividing. It is not as cut and dried as I would like it to be, but certainly there is a genuine effort on our part to try to address it as quickly as we can. I do not know whether that helps my colleague or not, but it certainly gave me the opportunity to get it off my chest. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I would like to remind Members that we have still have five Ministers to review for today. We started reviewing yesterday, but we only reviewed

three out of the eight Ministers. When Ministers respond to Members, try and make it brief. Thank you. Member for Yellowknife Centre, Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. Yes, I appreciate the Minister's comments and I really appreciate the thrust he wants to go in. To me, he reconfirms that it will be an economic thrust from here on in. We may disagree in some of the content and the processes, but I am very pleased that he has spoken about that and his concern in that area.

My next question is on a different subject. I think it has been discussed before, but because I was out of the House, perhaps, we could just discuss it again. The transitional cost

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for this government for the next two years will be \$8 million this year and \$40 million, I understand approximately, next year. The question I have is a concern with our operating budget, because it in essence says to me that it comes out of our cash flow, in this particular year and next year. While it is a consolation to know that it will be reimbursed, the reality is, we are out the money this and next year, potentially. Could the Minister give me some indication as to what the timing of his meetings are and perhaps a possible commitment from the federal government on this? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Minister for Finance, Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I have said on several occasions in the House and today, that it is my intention to meet with Mr. Martin and Ms. Stewart on Monday. I do not want to... I know I am saying this like this is the meeting, so I have to qualify it by saying that Mr. Martin did request the meeting in an effort to try to reach some agreements on some of the issues this government is currently under negotiation. Obviously, division and the cost of division is a very important one, and I think there is an acknowledgement that there is a requirement for some speaking and discussion at a political level.

At a technical level, when the technocrats get to the table, we have managed, at least to date, to keep the coalition of northern interest together through working

very hard, through reaching compromises with each other and through it all, understanding that we all have a common goal. The goal has been asserted many times. The Premier said there should be a reason to celebrate on April 1, 1999, and we want to make sure that happens. For us to celebrate on April 1, 1999, we need to ensure there are adequate levels of funding for the two new governments. Certainly the officials level is working hard to try to reach an arrangement where I believe I am comfortable enough, and I am sure the Interim Commissioner and others are comfortable enough to go forward to Mr. Martin and say this is the number that we require and to be able to substantiate that number in a very professional, concise way and see if we can reach an arrangement by March 31, 1998, a year ahead of division, so that we know, clearly, what monies are available for the two new territories on April 1, 1999. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question. Mr. Ootes, Member for Yellowknife Centre.

MR. OOTES:

Thank you, Mr. Chairman. Different subject, Mr. Chairman, my honourable colleague from Yellowknife South, Mr. Henry, spoke about the contract for the liquor warehouse in Yellowknife and the RFP. Could the Minister make available to those proponents who submitted proposals the analysis and criteria of their own proposals? The reason I ask this. It occurred before with the different methods of nontendered contracts, whereby the contractors never had word back on why they were not successful in the contract, and I believe we straightened that out, but this is a similar situation. I wonder if the Minister could see if he could get the proponents the information so that they can judge where it was that they fell down? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Todd.

HON. JOHN TODD:

Well I can tell him, the successful proponent was the low bid.

CHAIRMAN (Mr. Ningark):

Thank you. Question number four, Mr. Ootes.

MR. OOTES:

Thank you. Are the proponents notified of the amount of the bid?

CHAIRMAN (Mr. Ningark):

Mr. Todd.

HON. JOHN TODD:

I would have to check with my department on this particular issue. I knew it was one of concern by both Mr. Henry, which is understandable, and Mr. Ootes. I was advised by my department that a low bid was the reason for this contract being awarded to a Hay River firm. What was the question again, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ootes, will you repeat or rephrase your question? Thank you.

MR. OOTES:

The question was, are all the proponents notified of the amount of the successful bid?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I apologize to my colleague. Just a temporary lapse of memory there for a moment which occasionally happens when you start getting grey hair. Mr. Chairman, I will undertake to find out if we in fact, did that and advise my colleague and also his counterpart, Mr. Henry, who is equally concerned about this issue. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Thank you, Mr. Ootes. I have Mrs. Groenewegen, Member for Hay River and Mr. O'Brien, Member for Kivallivik. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Just by way of preamble, I would like to state that I recognize and appreciate that a tremendous amount has been accomplished by Minister Todd. It was a feat to balance the budget, and he certainly did lead the charge on that. I also generally appreciate his direct style of communication. I do not get the sense that he is

playing games with the Members when he is answering our questions. This is evident by the very few questions that he takes as notice in the House. The fact that he takes these few questions as notice also indicates that he is familiar with the issues and is truly responsible in managing his department. He obviously puts a lot of thought and personal input into the statements and answers he delivers in the House and takes ownership for the initiatives of his department. I do appreciate that. I mean there are Members who stand up in the House and sometimes you seriously wonder if they know what they are reading, let alone, if they wrote it themselves? I do appreciate the fact that Mr. Todd does seem like he is up to speed on the actions of his department.

So given all those accolades, now I must say, Mr. Todd given his intellect and ability, that the response to Mr. Henry's questions earlier today on RFPs were so shallow and glib that I could hardly believe my ears. I mean to tell Mr. Henry, a business man such as he is, when he raised the question of people putting considerable effort and money into preparing proposals to bid on contracts with this government, to start

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expounding on the jubilation and disappointment that a contractor may feel when they win or lose a contract. This is not the issue. Yes, of course, those of us who are business people, are happy if we win a contract, and unhappy if we lose. But that has nothing to do with the transparency and public accountability of the money expended by this government and departments with respect to requests for proposals.

Now, I am going to hit him with a question.

There is a problem with the request for proposal process, and you can call it public if you want, but the end of the publicity comes when the proposals are delivered into the hands of the department and ultimately into the hands of Cabinet because after that it is a closed door. It then becomes very un-public. And you know, you can say that process facilitates a lot of good things, but there is an issue of accountability here. I would like to ask the Minister if people cannot find out what the results are of an assessment of RFPs where are they supposed to get confidence that their proposal was treated fairly and evaluated fairly by the department or the Cabinet? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

Thank you, Mr. Chairman. Let me tell you, I will take whatever credit I can get these days because I do not get too many over the last two years. I want to thank my colleague for her kind words, and I want to thank her for the very difficult question she has asked me. I will probably have to give her an evasive answer which will more than likely disappoint her. The reality is, we do recognize there is a concern out there in a number of constituencies with respect to RFPs and I believe both the Premier and the Minister of Public Works and Services are committed to re-examining as to how we can get some form of transparency in the issue. There is always an underlying message when sometimes we ask these questions, and usually the implication is, there is political interference in the process. Of course, that is not quite how some people want to put it, but as my honourable colleague said, I like to be direct. It has been my experience, for whatever it is worth, that I have not seen it. But I will undertake to talk to my colleagues and coordinate a re-examination of this policy to see if we can find a means to give you the clarity and transparency you require on this issue. Thank you.

CHAIRMAN (Mr. Steen):

Thank you. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I note that the Minister is not only intelligent, he is also very perceptive. That is exactly what the problem is. People speculate when they do not know for sure what goes on behind those closed doors. It is interesting, and I am sure the public is already aware of this, but almost every policy of this government has a rider on the end of it that says, subject to the discretion of Cabinet. We put a tremendous amount of our confidence, trust in the integrity of the people making those decisions. We elected you and unequivocally we obviously trust the actions. There comes a point where it cannot be just carte blanche trust and you cannot just say trust us. We want to see some processes to back that up. I agree, negotiated contracts, sole-sourced contracts, there is a place for them when you are trying to achieve certain things such as developing community-based business in communities where there is not a strong business presence. There is a place for it. It seems like a lot of the contracts that are being awarded by RFP now are not necessarily in those

kinds of communities. The competition is not amongst people who are aboriginal and are just trying to get a start in government. They are amongst mature companies where you would think that a public tendering process would be sufficient. Is there a place for a weaning off and away from that type of proposal call, particularly in communities where there is a long standing and mature business community? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mrs. Groenewegen. Mr. Todd.

HON. JOHN TODD:

As the Finance Minister responsible for ensuring, to some extent, there is transparency on the fiscal side, I could not agree more with my honourable colleague. There is also clearly a need for accountability and nobody would deny that and we need to ensure that happens. In these days of public perception of politicians and mini-series, et cetera, one wonders what it takes to assure the public that at least my colleagues that I work with are straightforward, honest, and try to do the best they can with a public purse. I have to say that. I think that is important. I am getting to be personally a little fed up with sometimes the accusation that if you are successful you must be doing something wrong whether you are in business or in politics. You fundamentally get into politics for a variety of reasons. I got into politics thinking I would try and do some good for people. I hope we have been able to demonstrate that. I fundamentally believe that is the accountability. All one has to do is go back and look at the Hansard when I was the chairman of the Standing Committee on Finance. The same questions you are asking, I asked. What we need to do is work out how we do that. At that same time, protect the private interests of people who have been on jobs and do tender on jobs, et cetera. I am committed to, as I said to you, to trying to re-evaluate some of these policies we have in place.

I really did not want to get into this, but I will since you brought it forward. My honourable colleague has been around a long time, and I have a lot of respect for her and I want to say that publicly again. Think back what it was like ten, 15 years ago. Think back what it was like 20 years ago and say to yourself, who would have owned the businesses in some of these communities? Where would the aboriginal people be if some of the governments, and it was not me, it was my predecessors, took the brave step to say, we are going to negotiate contracts because we want to find

a balance within the economic constituency? Where would we be today? I do not want to name, but would it be the outsiders that continue to take the economic opportunities out of this country?

I ought to remind everybody else because I have done some research on this. Negotiated contracts were done by Yellowknife people who were non-aboriginal for justice buildings, for other institutions in the 1970s and I did not hear anybody screaming then. I did not hear anybody saying it was wrong then when non-aboriginal people were negotiating contracts. But all of a sudden our predecessors who had far more wisdom than I did, Mr. Rae, Mr. Citizen, Mr. Park of the foreign commission said, we are going to find a way to change this government's policies to provide a balance to the economic constituency and it is going to be through negotiated

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contracts and at the same time protect the public purse. I has to be fair, cost effective, et cetera. There would be no ownership in my riding if we had not done these kinds of things. There would be no ownership in some of these other constituencies if we had not done these things. In saying that, and the reason I have given you a little historical perspective is because it is very important to me that you understand where I am coming from. In saying that, you need to examine, no question, what we have done over the last ten years. I am prepared to commit to re-examining that. But I am not apologizing for the fact that we needed to put aboriginal people into the economic constituency. It not only created some wealth, equity and ownership, it created jobs, et cetera. That is very important to me. That was an important decision made by my predecessors that I have strongly supported since I was elected and will continue to do until such time as I leave office. I will say that it needs to be re-examined in a spirit of fairness to the non-aboriginal long term northern economic constituency. I am prepared to do that. Thank you.

CHAIRMAN (Mr. Steen):

Thank you. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I do thank the Minister for that commitment. Mr. Chairman, I do not think that anyone is denying that negotiated and sole-sourced contracts did and would still continue to serve as a

very useful tool. But, we have an obligation to protect the creditability of this government, and perception in many cases is reality. I am just wondering if the Minister could identify for us what the fundamental difference is between a request for proposal and a publicly tendered contract. We have heard today about a particular contract that has been raised across the floor. I am not prepared to discuss that particular contract, but we heard today the price was the consideration. What is the fundamental difference? If you are telling us that price is the determining factor, the same thing would be accomplished by a public tender. What is the fundamental difference? Thank you.

CHAIRMAN (Mr. Steen):

Thank you. Mr. Todd.

HON. JOHN TODD:

Different Ministers may have different interpretations. From a hands-on practical level I do very few of these, and I am not making any excuses for it. I fundamentally believe that sometimes we have a problem with an issue that we do not necessarily have all the answers to. What you do is you do an RFP and ask the private sector to come up with some creative solutions to it. I do not want to oversimplify it, but that is the way I see it. I have seen it work on a couple of occasions, but as a Finance Minister I would say that the number one criteria on RFPs has to be price. You have some responsibility for the public purse. You would be surprised how much talent and creativity you have out there in the private sector. For me, it is a means to find creative solutions to problems that frankly we do not have all the answers for. I am just very appreciative of the fact that on many occasions we can find the private sector to assist us in finding these solutions. I am sure other Ministers may have different interpretations of it. That is the way I see it. It provides us with some flexibility because we may not necessarily have all the answers and ultimately committee of departments usually make the decision. Unless my memory is not correct, price is a primary factor in the ultimate decision of who would get the RFP. I have been asked this now by three Members today and for the last time I will say, we have committed to re-examining some of these policies with respect to contractual arrangements this government does with the private sector. Thank you.

CHAIRMAN (Mr. Steen):

Thank you. Question number four, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I do not want to sound impolite either, but I think that this is a very important matter which deserves clarification. I think there is a lot of people out there in the public, and I know it is taking time, but I think it is an important issue. I, for one, can very much empathize with the frustration of a business that goes to time and effort to put together a proposal on something and never hears back, never knows where they came in the standing and it does not ever get any information back. I can emphasize with that frustration. Just going back to the fundamental difference between a public tender and a proposal call, for clarification, Minister Todd said that price is a primary factor. Could we find out that price is not always the determining factor? Is that correct? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you. Mr. Todd, is that correct?

HON. JOHN TODD:

I have only had limited dealings with RFPs, my experience has been, the ones I have dealt with, that price was the factor.

CHAIRMAN (Mr. Steen):

Thank you. Question number five, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. From my limited experience with requests for proposals, price only forms one component of the consideration for awarding the contract. Price, along with several other components, comprised the criteria for making the decision on who to award the contract to. On the premise that price is not always the determining factor, could we just have assurance from the Minister again that they would consider a process whereby proponents on RFPs could be advised of the outcome through some form of assessment which would be public after the fact? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I am just one Minister in this process, there are others. Mr. Arlooktoo is probably our lead Minister because he does most of the contracts. I have committed to asking the Premier and Mr. Arlooktoo to meet to see if we can find a method to answer a number of the questions, serious questions, asked by my colleague and my other two colleagues, Mr. Ootes and Mr. Henry. I will commit to that and get back to my colleague once we have examined how we reassure the public that there is some transparency in this issue. Thank you.

CHAIRMAN (Mr. Steen):

Thank you. Question number six, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. This will not be in the form of a question, this is my final comment on this. Yes, we do need to examine the process to create reassurance for those who are in business and bidding on request for proposals, however, we also need to make sure

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that transparency is there for the sake of the taxpayers who are entrusting us with the public purse and the monies in that purse are expended in the best way possible. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Yes, Mr. Chairman. As I said to the point of being repetitive, I will do what I can to examine this policy, as well as others and see if there is a way to reassure my honourable colleagues and the public at large that this is being done in a fair, equitable, transparent manner. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Bravo, Mr. Todd. Questions. Mrs. Groenewegen, are you sure for the time being? Thank you. I have on the list Mr. O'Brien, honourable Member for Kivallivik. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, my questions to the Minister are regarding the formula financing arrangements and negotiations. I would ask the Minister to bear with me. Some of this information has probably come out during the course of the day, But I will ask some questions somewhat different from the ones that were asked. Recently, we have had two key players from the Minister's department leave his department, Mr. John Ruttan and Eric Nielsen, two very experienced long serving employees with tremendous knowledge in this area. We are not quite sure what the reasons why they have left are. I am sure that is their business. My question is, at this point in time, who is looking after these negotiations now?

CHAIRMAN (Mr. Ningark):

Thank you for that concise, short question. Mr. Todd.

HON. JOHN TODD:

We probably have the strongest team this government has ever had with respect to our negotiating team for the formal finance agreement. We have Dr. Patrick Grady, who is a Canadian renowned economist, who worked formerly in Mr. Martin's office who gives us advice on a regular basis as to what we do. We have Ms. Sheila Purdy, who had worked in the Prime Minister's office and was the executive assistant to the Honourable Allan Rourke at the time when he was Minister of Justice. We have Margaret Melhorn, who is the new deputy Minister of Finance. I was fortunate enough to get Mr. Pierre Alvarez, formerly working in the Prime Minister's office under the conservative government, formerly the principal secretary to the Honourable Nellie Cournoyea, who all agreed to work with me in an effort to assist in the negotiations of these two new formulas. I would say that this is probably the best team on the fiscal side we have had, since this government was put in place in 1966. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number two, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, it is my understanding that Mr. Ruttan is now working on behalf of the western coalition regarding their negotiations and planning. Who is the lead person in charge of the negotiations and the arrangements at this point?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd.

HON. JOHN TODD:

Actually, the western coalition and my colleague, Floyd Roland, should be congratulated in being able to bring back Mr. Ruttan to assist the western coalition in these negotiations. Mr. Ruttan had left a couple of years ago for early retirement, my understanding was he did not want to work full time. We feel very fortunate that he is back into the loop, providing support to the western coalition. My honourable colleague is correct that the lead, if you want, in terms of this government is Ms. Margaret Melhorn, who is the deputy Minister of Finance.

CHAIRMAN (Mr. Ningark):

Thank you. Any questions? Mr. O'Brien are you sure now? Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Thank you, Mr. Todd. My next question is regarding division. In the Minister's role as chair of the division committee. Mr. Chairman, the Nunavut infrastructure that is being put in place now is being built by the Nunavut Construction Company, NCC. The Nunavut Construction Company will be repaid through long-term leases, we can put it that way, for the infrastructure they will put in place and in return, I believe it is DIAND that would sign these leases and then in the end, it would be then turned over to the new Nunavut government.

Mr. Chairman, it is my understanding that to this date, before I ask the question, I should add that my concern coming from my riding is to make sure that the infrastructure which is planned for my communities is going to be in place in a timely fashion so that, of course, decentralized government and plan can take to place. My concern is at this point in time I have the understanding that the agreement for these long-term leases has not been executed yet and that we are still waiting on DIAND to commit to these leases. My question to the Minister is, at this point in time, is he concerned about the situation? Number two, how can we assist in bringing closer these agreements to speed up the process? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. There were two questions. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. First of all, I am told by my honourable colleague, Mr. Arlooktoo, that NTI and NCC are fairly confident they are going to meet targets and the deadline they set for their infrastructure. We applaud them for that. There is no question my colleague is right. There is a concern about who is going to pay the leases. My understanding is that is some of the discussions right now with the Interim Commissioner. I would believe that the ultimate sign off on fiscal responsibility would perhaps be a combination of the federal Minister and perhaps, although I am not sure, the Interim Commissioner. I mean I cannot speak for the Interim Commissioner; but if I was him, because I should qualify this, I would want some assurances from the federal government that they will pay the bill, whatever the cost is going to be. It would seem to me, I am advised, that there are discussions under way on this very issue. I do not know what the final outcome will be. We are trying to encourage some clarity on it. When that does unfold, I will only be too happy to advise my colleague because I know it is extremely important for him and the other community of Baker Lake which have both decentralized communities, which we support. My initial reaction would be the fiscal responsibility for the leases and the lease costs lies with the federal Minister. That would be my

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reaction at this time. Now, others may interpret it differently, but that is the way I would see it at this time.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. O'Brien.

MR. O'BRIEN:

Mr. Chairman, it is a concern to myself and the constituents I represent, and I am sure as it is to Mr. Todd. Mr. Chairman, I will not belabour the point. Is the Minister aware of what is causing the delay in executing these arrangements and what are the causes for the delay? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I am not sure. To be honest, as I said, this was an arrangement made between the federal government and NTI with respect to the ownership of the

infrastructure required for Nunavut houses and offices. That discussion really should be between those two parties. We have very little direct input into this issue, and I agree with my colleague. We need to get some clarity but the reality is, we have a very limited role in this particular aspect of division. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Questions. Question number six, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, carrying on in the same vein regarding the decentralized model as put forth, this issue was touched on earlier in the last few weeks in another committee of the whole meeting. I would like to seek further assurances from the Minister in charge of division if he would work towards and encourage the use of existing office space that may not be identified as office space that is to be used for decentralized jobs that had been indicated for the smaller communities, but also the use of some of the new housing units that have been put together in the various communities as temporary office space, so that some of these jobs, when they are available, can be put into place so these communities can benefit from the design, decentralized model in Footprints 2 Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I am prepared to give some direction to my officials to look at suggestions to the Interim Commissioner that this may be a way in which, in the interim if you want, a short term move forward with some of these initiatives. It is also in Iqaluit as well because I think the big office complex is not going to be ready until the fall of 1999. I think everybody recognizes that, as my honourable colleague knows, the House is out and under way in the new community. I hope from a political perspective reassures you that some of the stuff is going to happen, but certainly I will give some direction to my officials to discuss this matter with Mr. Anawak and his staff. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, my next question is more for clarification, I would expect that Mr. Todd will be able to answer the question. If I am stepping over the line, I stand to be corrected. The question was asked earlier by Mr. Enuaraq regarding where we are going to stand by the time division comes regarding our accumulated deficit? Mr. Speaker, we are contemplating at this point in time at making some changes to the Financial Administration Act. I realize we are not at that point yet, but it is in discussion now. If and when this goes ahead, can the Minister indicate as to where we expect to be in 1999, in regard to our accumulated deficit?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

When we started this pilgrimage of cutting and slashing as some would like to think it, I believe the accumulated deficit at the time was \$86 million. As I said earlier today, Mr. O'Brien, barring any major physical catastrophe, a reasonable settlement in pay equity for example, is one issue, I am optimistic that we could probably have an accumulated deficit of somewhere around the \$30 million range which would be depending on how we divide the assets and liabilities, would be an easily manageable deficit for the two new governments. The ultimate issue for me, I would like to be able to show that it was all cleared off the books, but I think that would be a pretty ambitious program right now. Probably around \$30 million if everything goes reasonably well in the next 18, 20 months.

CHAIRMAN (Mr. Ningark):

Thank you. Final question, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, most of us around the table probably know the answer to this question here, but I think for the general public, it would be worth addressing. I indicated that we are contemplating changing the Financial Administration Act, which would increase I guess in one hand our liability significantly. My question to the Minister is, can you explain the impact of this increase? Would it be signing to borrow money and so on and so forth. How would this impact on where we stand once again

in 1999, so that the general public can have a better understanding as to where we are going?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd.

HON. JOHN TODD:

If my honourable colleague is relating to the fact that we may move forward with the changes in the Financial Administration Act and the fact that we are moving forward with some public/private partnership in capital spending, how is that going to impact overall on the fiscal framework of the government? We would have to do it in a manner that met the fiscal targets that we set over the next two years. Certainly for any of us including my colleagues across the floor, we have to work hard to make sure that when we leave office, we leave the books in good order for not only the next generation but for future generations. Any spending has to be done in the context of the overall fiscal framework in the government and the Deficit Elimination Act, and the commitments we have to it. I hope that answers the question.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. On the list I have Mr. Krutko and Mr. Rabesca. Before I recognize Mr. Krutko, I would like to update the Members on the progress of the review in terms of time. We are taking over two hours per Minister to review. We still have five Ministers that is about 12 hours in total that we still have to review the other Ministers. So I think that we should try to move on a bit faster than we are currently moving. I have Mr. Krutko.

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MR. KRUTKO:

Thank you, Mr. Chairman. My question to the Minister is in relation to the whole idea of one of the priorities of this government when we took office. It is an area that I have felt that has been undermined in regard to the whole question about being fair and equitable, in regard to the distribution of capital projects in all ridings and also the whole idea that there has to be a way of measuring that. I would like to ask the Minister in regard to the idea, one of the six principles that we adopted was the question about equitable and fairness to all ridings. So I would like to ask the Minister, is there a way to measure that to ensure that all ridings are treated fairly and allowed

the same economic opportunities as other ridings?
Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd.

HON. JOHN TODD:

I know that my colleague has spoken in this House on a number of occasions that he has felt his riding in particular has not benefited as much as to say as some others. I think in fairness there may be some legitimacy to that, I do not know. The process that we have I think as I have said earlier at an earlier question while not perfect is certainly better than it was before, whereby the Premier writes to the communities and asks the communities along with MLAs for input as to what project they would like to see, what the priorities are that you place on them, one to five, one to ten, whatever you want. I would hope that the MLA was intimately involved in that process. I allocate budgets based on some formulas whether it is the social envelope or the resource envelope. The Ministers to their credit work to those budgets because we have got to meet the overall budget of this government. Capital dollars are allocated the same way. The process comes in from the communities into committee which my honourable colleague is one of the chairs of, I believe, or deputy chairs of. They examine it. They give us some recommendations what we do, back to Cabinet. We approve it, and it goes back into the House for ultimate approval.

What I have been doing in the last two years since I have had this portfolio is trying to track the expenditures by community, trying to demonstrate on a per capita basis how much money each community gets and try to do to the best of our ability. We do not always do it well. Let us be clear. Ensure that the system is fair and equitable. It is very difficult to do that on a consistent basis when you have as little money as we have because as my honourable colleague knows some of the Ministers have had to make extremely difficult decisions that have not been popular in some of the cancellation and delaying of projects.

I would like to think that the process is fair. I certainly believe that it is transparent. I defy anybody to show me where it is not. There may be occasionally an equitable argument out there, I would not deny that. Occasionally it may proceed that way, but certainly the objective of this government is to do exactly that,

fair, equitable where possible and more importantly transparent in the process. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question deals with the whole idea of integrity that is given to committees that are established in this House and also reports that are tabled in this House by committees in regard to recommendations that are made in regard to business plans. Also, how seriously are those committees being taken? In some cases, there are decisions that are made without the involvement of certain committees. With the whole idea of establishing a new way of doing government with this 13th Assembly, one of the conditions that we agreed to at the time was to establish a new committee structure to work along with the Cabinet and the Ministers in the different portfolios that they carry. So, my question to the Minister is, why has it been on several occasions that decisions were made through committee reports and what not overridden by this government and especially in regard to the financial difficulties and decisions that we had to make also as committees and why was that?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

First of all, all Cabinet Ministers including myself take the committee input and the new committee system seriously. There is a difference between setting strategic goals, setting capital spending and O and M spending and administering government. You cannot administer government by committee. You have to manage government and that is what your Cabinet Ministers do for you. The committees work with the Cabinet Ministers to set strategic goals, strategic planning and to some extent, and to a great extent, where the capital and O and M dollars are spent. Committee reports are treated seriously, but committee reports are exactly what my honourable colleague said, recommendations. Sometimes, we take the recommendations of the Cabinet and occasionally we do not. I think on average we have really moved on a number of the recommendations made by a number of the committees. I can tell you one that I am dealing with right now. I said it earlier to

Mr. Erasmus on the Affirmative Action Report, for example, I believe we have agreed to 89 percent of the committee recommendations. On some of the recommendations made with respect to the strategic initiatives of this government, we have agreed with committees on a number of things. I recall a major one that to be the amalgamation of transportation and housing corporation and public works. We did not do it based on committee.

There is a genuine effort and attempt to try to incorporate as much of the committee recommendations and advice as we can. To some extent that is the definition of consensus, but it does not always occur. It would be fair to say that.

CHAIRMAN (Mr. Ningark):

Thank you. Question number three, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question deals with the overall question about capital budgets and adjustments to the capital budgets once they have been approved by this House and the usage of supplementary appropriations to introduce a new project which was not part of the business plan or which was not discussed in the committee format. Is there a way this government can avoid doing that or finding new ways to reintroduce things that are new. Regarding new projects that are needed in regard to the priority of this government, yet they are still finding their way into the supplementary appropriations in which is being abused in regard to the usage of that particular item? Especially as Members as the Minister may know, we are restricted from being able to remove items in supplementary

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appropriations. I would like to ask the Minister why is this practice continuing on and why is it being used and abused at this time?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Well, I beg to differ with my colleague. It is not being abused. I think that if you look historically at the supplementary appropriations, when I took office, supplementary appropriations were running about \$40/45 million a year. The Ministers with the support

of the Premier have given me the mandate to indicate to them that supplementary appropriations as special warrants have to be an absolute necessity. Occasionally that happens. The supplementary appropriations last year were in the \$20 million range. I would have to look and see what they are right now, but certainly they are no longer the norm. They have to be clear need and rationale for supplementary appropriations as special warrants. An example of that was, I spoke earlier, the \$4 million for rebasing health care. We simply had to do it. That had to come through a supplementary appropriation. It is just the way governments do business. Sometimes you miss things in the planning process. You need some flexibility to do it. I believe there is some transparency because it comes back to committee, but you cannot tie the hands of government. If they have a problem on their hands or if there is something occurs which they have to move quickly on, that is why Cabinet and FMB have got that mandate and authority.

I have to tell you my honourable colleague that the use of special warrants and supplementary appropriations have been reduced dramatically over the last two years. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question deals with the whole idea of supplementaries, but that the supplementaries being used by particular Ministers to ensure that certain projects are developed in their particular ridings and where money has been moved once it has been identified for new dollars, have been identified particularly in areas that are not really a priority item of this government such as road maintenance, upgrade of airports. So, I would like to ask the Minister, with the practice of the Ministers having the upper hand because they do approve the supplementaries through FMBS and also as the Minister of Finance and knowingly that this will be controversial to not only Members of this House but to the public at large by seeing how some of these supplementary appropriations are being used in a time of restraint and why is that?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I am not trying to antagonize my honourable colleague, but again, I have to disagree with him. I think supplementary appropriation is accepted around the room. I could tell you historically, through good fiscal and prudent management, along with the cooperation of the Premier and my colleagues, I have been able to reduce the utilization of supplementary appropriations dramatically, but it is a tool that is required of government for it to move forward quickly on some issues like, as I suggested to my colleague, an obvious one, the \$4 million of rebasing of health care which we had to do because of the crisis that was before us. It is not a tool to be abused. I want to assure my honourable colleague that it is a tool to deal with unexpected and unanticipated, in most cases, expenditures. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question deals with the new endeavours this government is putting forth at a time when, in the matter of eighteen months, we will be divided. There will be two new territories. Why are we imposing on a new government, especially in regard to the east, of taking on new endeavours which may take a matter of years, if not tens of years, to fully utilize and see what the economic benefit or what the program was initially put forth at this time? Having to realize that we are not sure of what the financial implications are going to be to both governments as of 1999? We still do not know exactly what the financial implications are going to be from the federal government, of what their base financial requirements will be to run both governments after 1999? As the Minister dealing with Finance, why are these initiatives needed at this time and imposing something on a new government and governments? At this time, why can we not hold off on some of these initiatives until after 1999?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

As my honourable colleague suggests, then we should hold off on initiatives in the Western Territory because we are creating two new territories in 1999.

CHAIRMAN (Mr. Ningark):

Thank you. Question, Mr. Krutko.

MR. KRUTKO:

I believe the question was asked of me from the Minister.

CHAIRMAN (Mr. Ningark):

Thank you. Question, Mr. Minister.

HON. JOHN TODD:

I have a mandate, as does Cabinet and the Premier, to govern until March 31st. I do, until 1999. I have a responsibility to the territories as a whole, and I am going to continue to govern as if the territories was one. I am negotiating right now with the Interim Commissioner on Protocol Agreement, on exactly what Mr. Krutko talks about and also a protocol agreement on the employment of employees. I am mandated to continue to run government. I am not prepared, I may as well say it now, I am not prepared to sit and do nothing until April 1st, 1999. I fundamentally believe this is a creation of two new territories. If we are going to do nothing over there, then we should do nothing over here. It is two different territories, not one.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. As a Member from the west, especially with regard to Mr. Todd coming from the east, there is a lot of hesitancy from the public of the west asking the question, "Are we getting shafted by this transfer with these new initiatives that are being taken by this government? Are we going to be able to afford, to basically run our government after 1999, with these new initiatives that are being putting into place, especially in regard to the east?" To talk about regional empowerment initiatives in the east, talk about tank farms. You talk about initiatives that is costing not

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only ourselves as government but as a cost that we are going to bear in regard to the debt that we are going to carry after 1999. I think that, as a Member from the west, I do have a concern in regard to this matter. I would like it made clear, are we putting

ourselves in debt with these new initiatives before 1999?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, I view myself not as a Member from the east but as a Cabinet Minister for the Northwest Territories who, hopefully, has the respect and the credibility to be fair, equitable and transparent. I would hope, in my honourable colleague's comments in unparliamentary language with a slip of the tongue, and I would ask him if he would be kind enough to retract his comments about being shafted.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko, would you retract that word?

MR. KRUTKO:

Mr. Chairman, I will retract the word "shafted".

CHAIRMAN (Mr. Ningark):

Thank you. Question number seven, Mr. Krutko?

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the whole question about developing a government-wide business plan that this government has been working on; in regard to the whole endeavour of making sure we do have a government to carry out the needs and endeavours of people of the north and also as Members of the House, in regard to asking questions and tabling petitions in this House in regard to items, such as the whole question about mammogram testing which we are looking at a cost of almost \$60,000 to assist the people of the Northwest Territories, not just any particular riding or particular hospital, but to assist all people in the Northwest Territories; why is it that it seems like such a tough item to put forth? Yet, we are spending hundreds of thousands of dollars on consultants in regard to studies. I would like to ask the Minister, why common sense is not used in regard to the well-being of the residents of the Northwest Territories and put a face on the whole matter of health care to assist all people in the Northwest Territories? Why is it such a difficult matter to assist in such a small measly financial item?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

First of all, let me say, Mr. Chairman, I understand my honourable colleague's concern. I know it is both personal and professional, and I respect that, and I do. I thought my honourable colleague, Mr. Ng, had attempted to answer it to the best of his ability. He is as equally concerned as I am. I am not technically qualified because I am not the Minister of Health and Social Services to answer that question. I can tell you that there is a genuine concern and a concerted effort on my colleague's part, Mr. Ng, to try to find a solution to this particular problem, but also to find new and creative ways in which to improve health care.

I understand my colleague. I have heard myself say it ten, 15 years ago as to how come we have all these studies, and we do not have any action? Sometimes you need a plan. To build a house, you need a plan. I think it would be fair to say if we had not been in the fiscal difficulties we have been in the last two years, then maybe we would not be in this discussion. Maybe there would have been adequate money for health care, education, and everything else. But the tragedy of being dependent, as much as we are, is that we have a limited amount of ability and control over our fiscal resources.

Mr. Ng, and I do not profess to speak for him, is making a concerted effort to put a long-term plan in place for some major reform in health care that some of us are advocates of, and obviously, you have people who are not. But at the end of the day, I fundamentally believe that he will put into place, a reform package that will be able to bring about reasonable and adequate health care for northerners. That is certainly his objective in my discussion with him on the fiscal side. He is working under extremely difficult conditions. Of course, he has been subject to cuts that I have had to impose, the same as other Ministers have. I understand the concern of my colleague a lot more than what he thinks. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Final question, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My final question has to deal with the financial situation we still find ourselves in, yet we may think we are out of a deficit situation. There is still the whole idea of a court case that rides

on our shoulders with regard to pay equity. The whole idea of the question raised by the Auditor General in regard to the Environmental Audit and also the luck we have had in the last year in regard to forest fires. I think we are not out of the woods yet. There could be incidents that happen especially in regard to what we have seen in the last couple of weeks with the weather we have seen, especially in the east, in the case of a major disaster, in regard to a major forest fire that could drive up the cost to this government. I think that as Ministers, we do have to allow ourselves a big enough cushion that we do take a major blow that can come either through an emergency, a decision, a court case or in regard to the social envelope. We still do not know when it will slow down, and it continues to grow. As Minister of Finance, I would like to ask him what he is doing to ensure that protection is there in regard to this government in allowing us the flexibility and the room to be able to take such a major impact on our budget, if it happens?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Frankly, that is a very good question. Mr. Chairman, there is no flexibility. The reality is, we have a very limited flexibility. That is why I have spoken at some length on the pay equity issue, and I hope our partners in the process, the UNW, recognize that. There has to be an affordable arrangement. That is a negotiated arrangement that hopefully we can make. My honourable colleague is right. If that is a large number, I shudder to think what kind of steps I have to make with my colleagues to find that money. I am hoping that common sense will prevail, and we will get an affordable, negotiated solution to that, prior to April 1, 1998, which is about six months away.

On the acts of God, I mean, I cannot do anything about that. That belongs to somebody else. Whether it is forest fires or natural disasters. Wiser men and women than me, understand that issue better than I do. I would only say to my colleague that I have had many sleepless nights trying to figure out how we are going to get ourselves out of this fiscal mess. I am

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personally relieved at the position that we are in. I feel an enormous amount of responsibility for the pain we created to a lot of people. But the reality is, we had to

do it. I hope that in the time that we have left, that we do not have to do it again. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Before we take a short break, I have Mr. Rabesca. I would like to remind Members again update the process. Giving that each Member will be entitled to a maximum eight questions directed to each Minister, given that we have 5 Ministers, that is equivalent to over 500 questions. Given the answers responded from the Ministers, that is equivalent to over 1000 short speeches. We only have about ten hours, so we will take 15 minute break. When we come back, Mr. Rabesca is on the list. Thank you.

--Break

CHAIRPERSON (Mrs. Groenewegen):

I would like to call the committee of the whole back to order. The Minister, who is being questioned at this time for our Mid-Term Review is the Honourable John Todd, Minister for Finance and FMBS. At this time, we have Mr. Rabesca on the list next.

MR. RABESCA:

Thank you, Madam Chair. My question to Mr. Todd could have easily been answered by Mr. Ng. However, it can also be asked of Mr. Todd since it is involved with financial institutions.

When families are forced to deal with a handicapped family member, it is always very difficult. It is even more so when this handicapped member is sent to southern Canada as there is no facility in the north that can properly take care of this individual. This being the reason, we are trying to institute a reappropriation of these family members. However, this is very difficult, mainly due to the way this government's financial system operates.

It costs roughly a \$100,000 per year to house a handicapped person in a southern institute. Madam Chair, the problem comes when you try to bring this person back to the north. People say let us use this \$100,000 to house this person here, within the Northwest Territories closer to the families. However, because these dollars are set aside for southern institutions, if this person is brought back, this money would be put back into a general revolving fund, and is used for something else. Meaning, the Yellowknife Association for Community Living or any other association across the north could not access these

dollars to provide the handicapped individual to come into the community.

There is no program available to allow these individuals to come back to be with their loved ones. Can Mr. Todd, with his wisdom, come up with a solution that will allow for these family members to come back to the north, closer to their families, and provide, possibly, a cheaper alternative than to institutionalize these individuals? It is all simply because we cannot find a way to work this into our system. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Rabesca. I would like to remind the Members that the questions that are asked should be within the knowledge of the Minister being questioned and I think that Mr. Rabesca's question would be more appropriately directed to the Minister of Health and Social Services. However, since we are on Mr. Todd, we will ask him to respond to the question. But if he is not knowledgeable about this, we would fully understand. Thank you, Mr. Todd.

HON. JOHN TODD:

Thank you, Madam Chair. I am very familiar with this program, Madam Chair, as I do have a handicapped facility in my riding of Rankin Inlet, where we do look after northern kids who do have severe handicaps, et cetera. So I sympathize and empathize with my colleague.

There is definitely a desire on the part of this government and certainly the Minister responsible, to repatriate our northern people so they are close to their families and close to their friends and relatives, and get the kind of northern care that is due them. There is a certain level of professional skill required, because this is a very sensitive area we are dealing with, particularly young children in this situation. I know that we have been working hard to ensure again based on my own personal experience in my riding, adequate expertise at the community level.

When you put it in financial terms, I hope I will say this properly. It is a lot of money, and certainly there is clearly a need if the north does not have some of the additional services you can get in southern Canada, for the handicapped people and children. We need to examine how we can do that. I will undertake to discuss the matter with Mr. Ng and work with him to look at what is happening in relationship to repatriation and look with him as to what is required

over and above some of the care that is currently there, and see if in fact there is a possibility to embellish this program. But again, I guess, it would have to be done, with all due respect, to my colleague, within the fiscal framework of the government. But certainly it is an area of concern, and it is an area that I believe the Minister, in my discussions with him, is prepared to address. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Rabesca.

MR. RABESCA:

Thank you, Madam Chair. A different question. Madam Chair, yesterday in my statement I referred to the possibility for this government to be walking on very dangerous water, regarding this new initiative you announced, dealing with the private and public partnerships. The reason I say it may be rather dangerous, as there is a possibility of big business dictating rules to this government, rather than the other way around, also open the doors that will not allow small business to compete, thus creating a climate that we rely on big business for everything. My question to the Minister is, how can he assure that these types of events do not happen?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Rabesca. Mr. Todd.

HON. JOHN TODD:

I appreciate my colleague's question. It is a very good one, and I am very much aware of that issue. As a matter of fact, it was one that I had addressed when we were discussing the development of the new policy.

One of the ways that I think in our discussion that we were talking about, that could ensure small business et cetera is involved, is through what I call the consortium approach. Let us say for example, take my honourable colleague's riding and the road system. Let us just hypothetically say we were going to expand the road system. I think this government would want

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to see, certainly my honourable colleague, Mr. Kakfwi as the Minister responsible for Arviat, maximum

benefits go to northern businesses in the proponents of whatever the proposal was.

One idea that was talked about was a consortium of smaller businesses or a consortium of claiming groups for example. A consortium of private and public development corporations that are out there. I think we could put enough safeguards in place to ensure that any major projects that come forward in this important new initiative are not controlled by so few, and if you want, not controlled by the larger businesses. I am fairly confident we can do that.

I will be quite frank with you. We have not worked out all the details of it. I am hoping to vet the policy through committee and I would at that time seek my colleague's counsel. But certainly, the intention is to try to maximize as much benefit as possible, should we decide to move on some projects under this private partnership policy. And certainly, the objective for this government and through RWED, Mr. Kakfwi will confirm that if you ask him, is we will want to maximize the benefits, not just for the big guys, but to the little guys as well. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Thank you, Mr. Rabesca. Are there any further questions of Minister Todd? There being no further questions, is the committee agreed that we will move on to the next Minister on the schedule? Agreed. Thank you. And that Minister is Mr. Kakfwi, Minister responsible for Resources, Wildlife and Economic Development. Are there any questions for Mr. Kakfwi? Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, my question will be brief. I want to know if the Minister and his department have been considering options such as putting in place legislation for the exportation of diamonds?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. The federal government, as you know, has ownership and jurisdiction over minerals and they are now preparing amendments to the Canada and Mining Regulations. My view that this will hopefully lead to a clarification on what exactly Canada's position is in regard to a mining and

production sale marketing of diamonds. The Government of the Northwest Territories does not have any means of passing legislation for the export of minerals. We are trying to engage the federal government in trying to clarify by what means they can take a position in regard to the diamond industry with BHP as to basically whether or not diamonds can be just taken out of the ground, and with a cursory review by the federal government, then flown out of the country for sale, for marketing or whether the Government of Canada will ask for a little more than that. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. I would just like to recognize my two daughters up there, Meeka and Shannon.

--Applause.

CHAIRPERSON (Mrs. Groenewegen):

Welcome to the Assembly. Any further questions, Mr. Steen? Thank you. The next person I have on the list is Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. Following up on Mr. Steen's comments, I will also have a couple of questions on diamonds. The socio-economic agreement, this document was negotiated and signed by the Government of the Northwest Territories, Mr. Irwin at the time representing DIAND and BHP. This agreement spoke to the benefits that could accrue to northerners during the construction and the operation phase of the mine. My question to the Minister, is this the extent that the northerners can hope to benefit from the northern natural resource? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, when the federal government announced the terms and conditions under which they would be prepared to give a licence to BHP, the socio-economic agreement was the main instrument

that they offered to provide benefits to people of the north in regard to the establishment of this mine, the construction of it and getting to operation of this mine. As a government, we raised the issue of once the diamonds are out of the ground, and they start to move towards the market, so to speak, what are the possible economic benefits that we could negotiate from that phase. The message from the federal government was that will be dealt with later. There are too many unknowns about that. So we have been waiting rather patiently, not entirely in the loop, while the federal government contemplated what the position should be. It is my view that the federal government has to come clear very soon about what is the position of the Canadian government in regard to the diamonds, once the rough diamonds are presentable by the producers. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. Has the Minister given any thought to educating more federal Ministers on the opportunities that Canada is going to miss out on, if this new diamond industry is not given the profile it deserves at the national level? I was astonished at the lack of basic knowledge among federal MPs that I talked to on this national topic. As it is Canada that will lose out of this royalty regime if it is not handled from Canada's interest first. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. As a Minister I have become increasingly concerned that the federal government has yet to state a clear position to Canadians, to the public and certainly to this government on what its policy is in regard to diamonds. One of the things that need to be clarified, for instance, is in many African countries, they do ask that the rough diamonds be valuated, sorted for valuation purposes most of the time off-site and that some of the diamonds, not all of them, are available for sale in the

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country. In some countries they also take some of the diamonds in kind, as royalty payments. This

maximizes the economic benefits to the country and to the people in the vicinity. We are not exactly comfortable with the notion that perhaps there is a possibility that Canada may very well, for lack of attention and diligence in this issue, see Canadian diamonds, northern diamonds, flown direct to London and Antwerp. Rough diamonds that would then be sorted and sold in another country other than here. We have written to the Minister of Indian and Northern Affairs and articulated that very concern and have asked if we can and we will meet with her on Monday. We will raise the concern and suggest some ways to remedy the situation if there is in fact no work being done to ensure that maximum economic benefits are exploited from the production of diamonds in this country. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. I have talked a number of times in the House regarding the Wildlife Act and in particular the hunting regulations. I note in schedule C of the hunting regulations that there were provisions for people to join the RCMP or armed forces who were eligible for a general hunting licence to not lose their eligibility if their duties involved being out of the territories for more than five years. My question to the Minister is, could he have his officials look at that particular part of the Act from the viewpoint of rewriting a regulation which would permit Royal Canadian Mounted Police and the Department of National Defence personnel when posted to the Northwest Territories, that some consideration be given to make that coincide with the schedule C that I mentioned? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. We have received requests from the RCMP and the Armed Forces for us to consider that. At this time we have moved forward with some amendments to the Wildlife Act regulations, specific amendments to the Wildlife Act other than those we have done. Because of the workload demanded, the legislative agenda, that is sort of ahead of us; it does not appear possible to make any headway in changing the Wildlife Act itself.

That was the assessment made by the department about a month ago when we last talked to the legislative division. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. I may have inadvertently said the Wildlife Act, I believe this is in the regulations which would make it easier for the Minister or department personnel to look at. Rather than having the Minister respond to it again, if he would maybe look at it just from that perspective if it was a ministerial prerogative to change it within regulations. My final question to the Minister is on the funds and programs that the Minister administers through the various loans available in the Northwest Territories. I think it is fair to say that all communities in the Northwest Territories have suffered greatly from the cutbacks and downsizing we have experienced. In my community there has certainly been a large number of government layoffs; there is a large number of bankruptcies, there is a phenomenal amount of real estate for sale and there is a lot of uncertainty out there. What I would like is some comments from the Minister and a commitment to look at reclassifying Yellowknife for a year or two years. For example, that it be classified as a level two community or to make those programs more available because of the hardship that the economy of Yellowknife is going through, as are other communities. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Madam Chair, the City of Yellowknife is also like a mining capital of the Northwest Territories. It also is the capital. It is, by definition, a bit of an anomaly. It also happens to be the biggest community, and it does enjoy an economic status unlike any other. It is difficult to be categorical about it. I do know that all of us in Cabinet are acutely aware of the difficulties within the city in the last couple of years. Most of the staff cuts have been at headquarters, have been in Yellowknife. There is a large vacancy, many houses and lots on sale in the city. Whether or not that warrants redefining it as a level two or level three community is a question I could put to my department

and ask if that is an avenue that should be taken to help offset some of the economic difficulties and setbacks that the city has suffered in the last couple of years. I would put a more general question to my staff, which is what are the ways in which this government could be more supportive of the city. Keeping in mind, we have to be fair to the smaller communities, and keeping in mind there is only so many resources available to us. I would be prepared to do that if we could grant hunting to people of the RCMP and Armed Forces through mere changes to the regulations, I would ask that question and get back to the Member on that as well. It seems to me it is a bit more fundamental than that. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. The next person I have on the list is Mr. Rabesca.

MR. RABESCA:

Thank you, Madam Chair. During the times of cutbacks, staff reductions and reorganizing of departments, could the Minister tell us in your own words how you feel regarding the combining of the three departments you represent? Has this exercise proven to be more efficient and financially sound compared to the previous department? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Rabesca. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. It would be a bit simplistic, but I would suggest, had we not amalgamated the three departments, the department of Energy, Mines and Petroleum Resources would have had to do a severe cut in its programs and staff and the Department of Renewable Resources would have also had to cut severely into its programs and services. The Department of Economic Development and Tourism, as well would have had to do the same. The total cuts to the three departments, may very well have totalled up to about \$5 million. When I was asked to do the amalgamation, that was the target that was given to me. In the amalgamation I had to save the government about \$5 million.

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We did the amalgamation. Many of the positions were senior management positions; deputy Ministers,

assistant deputy Ministers, and regional staff positions. In the end, very little money was taken out of programs, very few staff at the community level, not necessarily the regional level, but at the community level, were affected.

One of the dangers and fears that were raised by people that were concerned about the amalgamation was whether or not the business side, the economic development aspect of the mandate, would overwhelm and override the environment. The concern for the water, the land, the wildlife. As well, from the Chamber of Commerce in the business area, they were equally concerned that the environmental, the wildlife part of our mandate would completely overshadow the need to promote economic development initiatives to support good economic initiatives that come our way in the Northwest Territories.

There was also the fear between the two camps, that it would be such a diametrically opposed mandate, that it would compromise the integrity of both elements of that mandate and that surely the environmental part would be compromised, or the business side.

We went from there and straight into the negotiations with BHP and the federal government on the socio-economic agreement. I think the facts are there. We went at it in a way that balanced the two. I think any fear that was there has been dispelled, at least, through that rather momentous occasion.

My own personal view of the amalgamation is that we could have taken a year to do it, which was the time given to us by Cabinet. We did it in five months. Most of the staff of the department have, I know in the first year, there were almost virtually no weekends. They were full weekends not spent at home. For the first eight months, virtually every weekend and most evenings during the week were taken up taking care of making sure the day-to-day business was dealt with, and dealt with the attention it deserved, as well as making sure that we did as meticulous a planning initiative as we could, to make sure that the amalgamation happened with minimal disruption to the government and staff in the communities.

So between the sessions we worked. During the session we worked as well. As a Minister I have not seen in my 10 years here, such a prolonged, concentrated effort by a department for such a long period of time. The fact is, they are still working in the evenings; they are still working on the weekends. It

has lessened a little because we are no longer trying to run three departments and set one up on a parallel track. We are now just taking the one department we set up and making it run well and getting everybody to play their respective roles and getting organized, to do the best job possible.

As you know, we have such a diverse mandate. We take care of forestry, wildlife; we get into fisheries; we get into economic development. We are setting up operations on a regional basis. We are staffing and dealing with community initiatives. We are revamping the operations of the NWT Development Corporation. So it has been one huge workload. Where previously there was a whole department set aside just to deal with mandates of renewable resources; a separate deputy Minister and a whole headquarters staff to deal with economic development and again, another department just for Energy, Mines and Petroleum Resources. We now have one senior management team to deal with all of that, and one Minister.

It is quite a huge job. We knew that when we started, and I say to Mr. Rabesca, I think that is probably all the more reason why we worked as hard as we did in the first part. We built this new organization as well as we could, knowing the better planning we did, the more meticulous we were about implementing the organization, the easier it would be a year down the road when we were going to get into the phase where we would be able to go into the communities and regions and actually offer to work, more in partnership, to do things at the community and regional level.

It is a good approach I think all of us are relieved with that, and I think Members will see this department has multiple programs. I do not have the total recall of your friend, Mr. Todd. I only have partial recall. So it is true, sometimes I cannot give you, button answers to button questions. Precise to the point, concise because it is simply a huge job to make sure it all fits together. But as I say, there is just a multitude of things to memorize, and that is not really the most important thing in here. It is the organizational approach that we take to our work that is absolutely key, and we have that. There is no doubt about it.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Rabesca.

MR. RABESCA:

Thank you, Madam Chair. In regard to the turnover and the burnout, to continue with this; I have heard from a number of staff that it is very difficult to provide meaningful service to the client base because of the fact that too few employees are called upon to do many jobs. What are the comments on this? What is the department going to do about staff turnover and burnouts? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Rabesca. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. As I have said, the amalgamation created tremendous uncertainty amongst our staff because they were acutely aware, many of them may not have the same job; many of them were acutely aware they may not be able to transfer to a similar job; many of them were aware there was no certainty that they would have a job in the end. We did ask, and I think everybody that was involved made the commitment to work in spite of that outlook. In the end, most of the staff that left took voluntary layoff or were at the end of their terms or retired, so that changeover was not as traumatic as it could have been.

I have taken the approach as a Minister that the staff who are requested by the media to do interviews, provide information. I have instructed that the senior management, the deputy Minister himself and any of his staff can take the liberty of doing media interviews. They are the ones in the front line who are doing the work, who are intimately aware of the issues of interest to the public and that there is some limited liability in doing such a thing.

All of them have done very well in presenting themselves as representatives of this government in dealing with the media, and there has been less coverage for me, more coverage for the individual staff. That has helped morale because I think

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they feel more ownership and identify more and more with their work. There is, of course, too much work for everyone. We have tried to set out a schedule for the kind of expectation we have had. We have tried to demonstrate that all of us are putting in our time, doing our share and trying to find ways in which to give recognition to the staff who are still out there working away on behalf of the government. We have

been trying to do that. There will always be people who by nature work too hard, put too much into their work, people who will suffer from work overload and stress from burning out. The best we can do is provide encouragement and support in trying to alleviate the situation where we can. But it is, in many ways, a difficult time for everyone and on the whole, I would say at least the staff of my department has been performing exceptionally well under the circumstances.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Are there any further questions for Minister Kakfwi? Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. One question, and I think you will be able to answer the rest of them without asking. Since the amalgamation of the Departments of Energy, Mines, Petroleum Resources, Economic Development, Tourism, and Renewable Resources, what is your department doing in respect to addressing as in the Agenda for Change, we speak of improving economic conditions? Can the Minister inform us what the department is doing in respect to looking to the future to trying to create some stability and some conditions where the economy might start to move and take over the loss of a lot of government jobs? That is, in respect to what we have already heard tonight, the questions on diamond mines and so on, but I was thinking more of the regions that are smaller and more remote. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. One of the things we have done is initiate with the Department of Finance and Regulatory Reform Initiative, an office has been set up. Mr. Alan Downe has headed up that initiative on our behalf. He has actually now gotten into doing research with the business community and other stakeholders and asking some very specific questions. For instance, what type of environment is the business community working under now, how can we help to improve the environment under which the business communities operate, and what are the specific suggestions they have in that regard? So there are some specific things being done, and the Regulatory Reform will, instead of waiting for a big package to develop. As

soon as we are convinced that we can streamline and simplify a sector of the operating environment, we will move to do those. The simple ones, we will do right away. The reforms that require legislative change, those type of things, we will do later.

We have made contact with the oil and gas industry and let them know that we are open for business. We have said that we do not write the rules for oil and gas exploration in the north. We have some suggestions that we have prepared with the support of the oil and gas industry to suggest to the federal government to change so that industry and ourselves can work towards a more business-friendly type of legislative base.

In mining, we have done the same thing. We understand that people want to know what the rules are up front. They do not want to take on a piece of work only to find out later that there are more costs being added on after the fact that they have to negotiate two or three times before they get into business. We have developed an economic framework that would give an opportunity for Members of the Legislature and the public, a fairly clear view, right across the board, of what the state of the north is and the government in terms of what kind of money, programs and support we give to different sectors of the economy. For instance, in fisheries, in mining, in handicraft, trapping, lumber business, every sector of the economy; we have developed a framework so that people know where we are spending money and where we are not, how many programs we have in each sector. It gives a basis for asking us questions. Why are we putting so much money in one sector and not the other?

We have done that. We are also at a state now where the NWT Development Corporation, which is the main vehicle we have for actually initiating economic initiatives in level two and level three communities. It has been brought to a state where it can. It is stabilized. All the subsidiaries that it has have been basically taken control of financially. They are not losing money to the extent they were when this government was elected. So, as a Minister now, I am in the position to, with some credibility, suggest that we put more money into the development corporation so that they can work with our communities, receive suggestions from the communities on initiatives where they could invest some money to create jobs. We will continue to put more and more effort into actually going to community by community on request to sit down with these communities, to look at the existing activities that are

going on in those communities, identify opportunities where we can create businesses and jobs, and let the communities take the lead. But as a department, offer to work in partnership in support of them to take better advantage of their existing activities and existing opportunities to create jobs, to create businesses.

This is where I think we are at in our efforts to try to enhance the economic conditions here in the Northwest Territories. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. This will be my final question. As we had heard earlier on the concern of after the amalgamation, the workload of those employees that were remaining, many of those long-time employees have had to take on new responsibilities. Has the department done any training with those in the communities and regions to take on their new responsibilities and to effectively, I guess, carry out their jobs? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. I believe that all the staff whom we have in the positions that they occupy have the capability of doing their work. We know that, in many cases, we have added increased responsibilities to them, and we are asking the superintendents and the senior managers to ensure that the support is there for these

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employees to carry out their duties, that the public is not being given an inferior level of service, that people are not going to be punished for being in a job where they are not adequately trained or adequately supported. I cannot be specific beyond that, but I do know that is the attitude we have taken. There is a need, for instance, I know in many regions to just simply accept that they cannot do all of the work. In some of the regions, for instance, we are missing two, three, four critical positions simply because we are not able to attract staff or to find suitable people to fill those positions. So, as I say, that is the approach we have taken to date. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. I will continue on with Mr. Roland in a minute. But just before I do that, I would like to take this opportunity, on behalf of the MLA for the Mackenzie Delta, Mr. David Krutko, I would like to recognize the students from the Chief Julius School in Fort McPherson, who are here with us in the gallery and also Annie Smith, Susan Peterson, and Louisa Kay who are accompanying them. Welcome to the House. I have Mr. Roland.

MR. ROLAND:

No, Madam Chair, I am done. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Sorry, Was that your last question? Are there any further questions for Mr. Kakfwi? Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. In doing our Deficit Reduction Programs, the Arctic Tourism Association was cut back substantially in their funding, but in the summertime when the association met at their annual meeting, they made a request of the Minister to restore their funding back to their historical level. Considering the importance of tourism, and this association, I should explain, the NWT Arctic Tourism Association represents the western Arctic, considering the importance of tourism to the many people who are employed in this industry and the business owners in the tourism industry, I wonder if the Minister could tell us if he will readdress the question, if he can look at restoring the funding to the association that it was traditionally. That amount, I believe, was \$352,000.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. One of the directions that we have set for the tourism organizations is they have members, and we want a demonstration that the members of that organization should take ownership of it. The best way to demonstrate it, which is done in other parts of the country, is by asking that each member pay a fee, that there be a collection of fees from each member. That would ensure, I guess, that there is more ownership of this organization, that it truly becomes an organization that reflects the

tourism industry here in the Northwest Territories and that they have then an obligation to work together to come up with some viable plans which this government can then support. Once those two things happen then, as a Minister, I would be more than happy to revisit the issue of the level of financial support that this government gives to an organization like that. That was the understanding that we had the last time I met with them. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Kakfwi. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I would like the Minister to clarify. I did understand him to say that if the membership were to demonstrate its commitment to the organization by a membership fee, I take it, but I thought he said there were two conditions that he would, after the two conditions were met, look at revisiting and re-examining, restoring the association to its former level. Could the Minister explain again the second condition?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Chair. I was suggesting that once the membership fee would be a significant source of revenue for the organization itself. It would also create a sense of ownership, real ownership, by the Members. It is my view that once that happens, then there will be a commitment to work together, perhaps more so than in the past, resulting in some sort of a plan that they could present to myself and to the government saying, as representatives of the tourism industry, here is what we need to get done to enhance the tourism industry in the Northwest Territories, and here is what we ask of you as a government. Whether it is assistance in marketing, in providing technical, professional advice, in dollar terms, whatever that is, all I am saying is once they have come up with some viable plan on how we can promote the tourism industry, which is the primary purpose of that association. Then we have business to do and the amount of money that we would be making available, if it was required, would be in terms of whatever it is that is required for their plan. We would not be restoring the level of funding, if there is no plan. There has to be some plan. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. The department experienced some staff changes and losses. Throughout the summer there was an effort to restore and fill those vacancies. Could the Minister update us as to how many vacancies are there today?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, I can provide a hand out in the next few minutes that can give the Members an update on the status of vacancies in the organization. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife Centre, Mr. Ootes.

MR. OOTES:

Thank you. Could the Minister tell us how many vacancies there are in the department right now?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. STEPHEN KAKFWI:

No, I cannot give him the number right now. I would have to find the document. It is somewhere

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in this pile. Do not want to suffer the indignity of looking for it while you are asking me questions.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ootes, question number five.

MR. OOTES:

Thank you, Mr. Chairman. I would just like to make a comment and that is all. I do not need an answer to it. I wanted to thank the Minister for looking at the possibility of the way he responded to Mr. Henry's

question of looking and having his people look at possibilities of offsetting the difficulties Yellowknife is suffering because of the many layoffs and the potential negative impact it has had on our community. I want to just let the Minister know that has not ended yet. We still have to face the potential of layoffs and impacts of the creation of two new territories that will affect our community in a very substantial way. I want to thank the Minister for the possibility of looking and revisiting allowing the request from the military and the RCMP to be exempted from some of the hunting regulations that require them to be a resident for two years. Because they are continually in transitory state throughout the country. I just wanted to pass that on. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Steen, Mr. Krutko, Mrs. Groenewegen and Mr. Henry. Mr. Steen has asked two questions. However, he still has the privilege of asking six more questions. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, my first question is in regard to Peary caribou on Banks Island and Holman Island. I am aware the Minister's department has a program whereby they are trying to transport Peary caribou from the High Arctic to somewhere in Calgary to protect the species. I would like to know if the Minister can give me some information as to the population figures in Holman and Banks? I know that the Banks Island herd is in danger right now, but I would like some updated information on that, if he has any available?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. It is my information that less than 1,500 animals, a little over 1,000 Peary caribou are still alive in the Arctic islands. The numbers have dramatically diminished over the last few years as the Member knows. We have originally suggested that perhaps we have to move very quickly to try to save the caribou and that is why we propose to capture a certain number and relocate them to the Calgary Zoo, so that we would diminish the possibility that this particular herd of caribou would become extinct. We have had discussions with the hunters and trappers in the area and with the Nunavut Wildlife

Management board, and with the Inuvialuit Advisory board as well. The project council have agreed that we should, in spite of the great concern we have for the animals, that we should take a year, this fall and this winter, to work in partnership with these communities and people to work out a plan that would be supported by all the parties involved, try to implement a plan to address the concerns of the Peary caribou this spring. That is basically that status of the issue to date. Thank you.

CHAIRMAN (Mr. Ningark):

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

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, the people of Sachs Harbour, for many years, have identified the growing size of the muskox herd as one of the main factors in the reduction of Peary caribou numbers. They believe that both of these animals are competing for the same food. Therefore, they strongly believe that the reduction of the muskox herd is a prime factor in contributing towards the increase of the caribou herd. Therefore, they have taken on harvesting programs for the muskox. My question to the Minister is, what is the department doing to control the muskox herd?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister Stephen Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. The department works with the Inuvialuit Wildlife Game Council and the Nunavut Wildlife Management board in working in partnership to manage wildlife in those particular jurisdictions. In the case of the muskox, we have worked to do what we can to identify markets for muskox, for wild meat. We have worked recently with the new Minister of Agriculture to identify the issue regarding muskox meat, caribou meat, as not necessarily a health issue, but one of being a trade issue. Having said that, tried to find a commitment from the federal government, which I think we have, that would help us deal with the legislative requirements of federal legislation and federal requirements, that would allow us to sell wild meat, to transport wild meat, and to market wild meat in Canada and internationally. That is the work we have been doing recently. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number five, Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, is the department contributing financially towards harvesting of muskox as a way of assisting to the control of the herd?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman, as far as I know we are not involved in that harvest at this time. I am not aware that we are providing any financial information, but if we are then I would pass that on to the Member. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number six, Mr. Steen.

MR. STEEN:

Mr. Chairman, the last information I received, the hunters and trappers in Sachs Harbour have a muskox quota of 20,000 animals. Many people would not say that is a quota, they would say that is a herd. But that is the quota for that herd. The last estimate of that herd is 80,000 animals or more. Therefore, it is obvious that without the assistance of this harvesting program, this explosion of the muskox population is going to get to the point where there will be just too many muskox for the size of the island. There definitely will be a main factor in the disappearance of the Peary caribou. I believe that this government has a responsibility to some degree to assure that this herd is kept down to size, which would in turn assist the return of the Peary caribou. I would think that I would again ask the Minister if he would consider contributing towards a harvesting program as a way of controlling the size of the muskox herd. Thank you.

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CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. The department and the Northwest Territories Development Corporation are in support of the harvest out of Sachs Harbour this year

and have worked to ensure that there is a buyer and a market for the muskox that are harvested. In fact, we know that there is a definite buyer for the muskox that is being harvested this year. One of the things that we worked on for the last year and a half with the Northwest Territories Development Corporation is the absolute need to have some marketing strategy. We produce products in many of our communities. We have canvas products in McPherson, we have handicrafts in virtually every community in the north. We buy fish. We buy a great many things but in some cases hundreds of thousands of dollars worth of products ended up being warehoused and stocked in different parts of the country because we did not have a plan on how to move these things on to the consumers.

Muskox is also the same thing. Part of the work that has to be done is the marketing, trying to establish a definite market and definite buyers to make sure the buyers would get assurance of quality from the products that they purchase, the supply will be reliable or at least available on a regular basis. The regulatory requirements, legislative requirements, set out in law by the federal government and ourselves can be met so they do not become an obstacle at the last minute. Of course, we do not want the Arctic to become overpopulated by muskox. We think it is a valuable resource. We would like to see the muskox harvested to the benefit of the communities. We would like to see our market developed in the south where Canadians, Americans, Belgians, French, especially the French, develop a great appetite for this excellent source of meat. We would like to find ways to use the hair and the hide and turn these into marketable products. It all requires some concerted effort. We are trying to do what we can. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number seven, Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, over the past few months I read in the paper where this government has been contributing to the tune of \$16,000 to \$20,000 a year to slaughter pigs. I am not aware of the Wildlife Service being responsibility to control the population of pigs. But we still contributed \$16,000 to \$20,000 a month to slaughter pigs in Hay River. I understand this was a total loss on the part of the government. From my perspective, I cannot understand why this government could not spend an equal amount of money to control the population of

muskox. I do not understand why it is so hard to eat a muskox compared to a pig. One is a lot cleaner than the other, for one thing. Is there any way the government could see that it was just as much point in controlling the population of muskox as it is to control the population of pigs? Can you contribute in an equal manner, Mr. Chairman?

CHAIRMAN (Mr. Ningark):

Thank you. The one is domesticated, the other one is wild. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. The pigs that the Member is talking about are domestic animals. They are raised domestically. The abattoir in Hay River was built in part to look at the viability of raising pigs and slaughtering them there for sale to people in the north. That has not worked out very well, and I think that was set up a little before my time. We are now trying to suggest and work with the Member for Hay River on seeing if some entrepreneurial would come forward with a hands-on proposal on how they can make economic use of this abattoir. The muskox are wild animals. They live a couple of thousand miles north of here. They are not immediately accessible, but they are animals that live in herds. They are a little more manageable in the sense they can be harvested in a way that can still comply with the rules of federal inspectors. The question of whether this department would throw money to curb the population of muskox, if the Inuvialuit game council and the Nunavut Wildlife Management board had such suggestions, as a board they have some authority in this area and would be prepared to look at what is the best management plan for these animals. If it was an acceptable proposition and supported by the respective wildlife boards, then as a Minister, I would have to look at it. Thank you.

CHAIRMAN (Mr. Ningark):

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

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, my final question is in regard to the meat processing plant in Hay River. Mr. Chairman, I believe it was last summer I had an opportunity to tour this plant and it looked portable to me. I am aware that the owners of Canadian Reindeer in Tuktoyaktuk are looking for a meat processing plant. I am wondering if the

department would consider contacting these people and see if they cannot transport that processing plant to Tuktoyaktuk and turn it over to Canadian Reindeer. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Steen. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. The abattoir is not a portable facility. It was never built with that in mind. It is built into the ground and is no more mobile than this legislative building is. As we have said earlier, if there are some viable suggestions made by the Inuvialuit and people from the Beaufort, in particular about the muskox and ways in which we can help to make good economic use of that resource, and there is equipment and infrastructure required to make it economically viable, I am more than happy to look at it. The Northwest Territories Development Corporation is now stabilized. We will now be asking them to come up with some various suggestions on the different regions and communities on what we can do, what type of money we need in order to support them in creating economic opportunities and jobs. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have a list of Members who have yet to ask questions of the Minister at the table. At this time we have Mr. Krutko, Mrs. Groenewegen, Mr. Erasmus. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. The question I want to ask the Minister is in regard to the question I asked the Premier in regard to finding new ways to stimulate the different regional economies like we all live in different geographical areas. We have different terrain, different types of environments that we have to live in. I think we have to start structuring our economic development programs to fit around those particular regions. Every region may be different in any one particular way, regardless if its geography, in regard to

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terrain, in regard to the environment. I think we have to start assisting the areas of the economy where we see we can get the biggest bang for our buck, especially in relation to the renewable resource area in regard to harvesters of wild meat, fish and timber

and looking at the potential we have in regard to tourism, by developing an association with the communities and the regions to develop an economic business plan, along with the residents of those particular regions so we can identify the individuals, the people that these programs will be structured towards. I would like to ask the Minister in regard to his department and what has been done to date to ensure that has taken place and is going to. What is being done in his department to ensure this takes place. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister Stephen Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. One of the benefits of not being a business person is that as a Minister I take the view that if it does not make any sense to me, then it probably does not make any sense to most people, especially in the smaller communities. If it does not become readily clear to me how things are useful, then it is probably the same in the minds of most people. That is one of the things I do not see as a liability. I also have the benefit of the advice and support of the Premier and the Minister of Finance through the Cabinet Committee on the economy. We have undertaken a very systematic approach to setting up this department, to getting ourselves organized so we can be useful to communities and regions.

We are now in the position where we can actually go and meet with the regional leaders, with community leaders and be able to sit down, for a day or two through workshops, through planning conferences and meetings to come up with some suggestions. Some plan on how we can develop, enhance, support existing economic activities and create new ones.

We are now in a position where we can go, on request into the different regions and communities to do just that. It has taken about a year and a half to come to this position. The Northwest Territories Development Corporation, for instance, as I have said, was not in a position to do much for any particular community. Earlier they have managed to address each of their subsidiaries, to shore up their operations and to minimize the losses they were suffering. They are now in a position where they can, with some confidence, travel with us, or travel by themselves, to offer assistance, particularly to level two and level three communities.

We have moved a lot of money into the regions. Most communities and regions do not have to deal with Yellowknife in trying to access grants and access loans. It is only the larger loans that are now being dealt with in Yellowknife, through the Business Credit Corporation. So, in many ways, we have worked hard to do what we can to move towards community empowerment, to decentralizing. Mostly just to getting organized, getting our shop in order so we can be of some support and assistance to communities. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Each Member is entitled to a maximum of eight questions directed to each Minister. But, however, you are not obliged to ask all eight if they do not wish to. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My other question is in relation to the program areas, especially in regard to Business Credit Corporation and its investments. I believe the Business Credit Corporation has to spread its wings out and start investing some of those dollars into smaller level two, level three communities to ensure that those businesses also have the same accessibility to that fund. It seemed like there are a lot of investment dollars spent in the larger centres where you have a lot of apartment buildings, retail stores, things like that, which are already in place. I think that in order for the smaller communities, level two, level three communities to grow, they also have to have the same ability and access to that program to ensure that they also are able to be assisted through that agency. So I would like to ask the Minister, what has been done to ensure that the Business Credit Corporation seriously looks at applications and whatnot that do come forth from the level two, level three communities? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. Mr. Chairman, I am not sure of the exact amount, but the Business Credit Corporation, I believe, deals with only loan applications in excess of \$250,000. Everything else below is done on behalf of the Business Credit Corporation by our regional superintendents. So the regional superintendents

have that authority now to deal with applications for loans under those amounts.

CHAIRMAN (Mr. Ningark):

Thank you, the honourable Member for Delta. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My other question has to do with the whole idea of grants and contributions that are made to communities in regard to small business loans and things like that. In my riding, they have received some \$140,000 for three communities of which \$60,000 went to Aklavik, \$20,000 to Tsiigehtchic and \$60,000 to Fort McPherson. But I think in order to stimulate the economy you have to invest more than just buying outboard motors and equipment. I think you also have to look at infrastructure that will go along with any business that you are trying to start out. Also, a management plan placed, so that a person knows where you are going to be in five years. We give you money for something and at the end of the day we have to seriously look at the way we distribute money for grants and whatnot to ensure that it is a long-term investment. That you do not just invest on an as needed basis but look at it as a long-term investment.

At the end of the day, how many jobs are you going to generate? Also, will that person be in business in a number of years? So, I think that has to be taken into account and there has to be more money put into these communities and invested in those individuals who want to be entrepreneurs. But the amount of grants they are receiving is so limited they cannot really get off the ground. It is just enough to buy an item like a sewing machine, a motor or whatever. But it is not enough to be able to market your product or basically to carry out your business in regard to the whole idea of having to develop a plan so that you know that the product you produce, that you have the right to financial information in regard to how you are going to market it, and also that you have the strategy in regard to how do you market yourself and your business. So

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I think that has to be taken into account whenever these grants are given. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Do you wish to respond, Mr. Minister?

HON. STEPHEN KAKFWI:

Yes, thank you. The government's Agenda for Change is something that I believe is very well reflected in this department. We have, for instance, set up a community economic development section within the department that is tasked with looking at ways in which we can help create economic development at the community level and give support and advice to communities, plus, follow up to businesses that start up. What you would call the after-care part. In many communities, for instance, we have people who are already involved in what we would see as economic initiatives, such as sewing, making other types of products, fishing and hunting. But what is not available to these people is advice on how they can make it more profitable for themselves. As a department, for us to look at ways in which we can ensure these people always get a fair price for their products, that they do not sell moccasins one day for \$25 and another time for \$100, that there is some reliable source, somebody that is going to buy it and be there, when they produce the products.

Every type of activity that is happening in the more isolated and remote communities are things that we are setting up to become more able to work with to make sure they become more viable initiatives for the individuals that are actually engaged in them at this time. We are setting up more, what you call, community futures boards, so that in regions that did not have them before, now have boards being set up that will process loan applications. We are setting up, so that people from the small communities who actually apply for grants and contributions have more ready access to the people right in the community or the regions. We are looking at ways of trying to enhance the amount of money that is available, as well, to all the communities and regions. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Krutko.

MR. KRUTKO:

I would like to be able to retain the rest of my questions and pass it on to Mrs. Groenewegen at this time.

CHAIRMAN (Mr. Ningark):

Thank you. I have Madam Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Mr. Chairman, it was very reassuring to hear the Minister inform my colleague from Nunakput that our abattoir is in fact not portable, and it will not be going anywhere. I suggest Mr. Steen, bring his reindeer to Hay River before we take the abattoir to Tuktoyaktuk.

Mr. Chairman, as you are aware, Hay River is a level one community, and I just wanted to respond to a comment that the Minister made in the House yesterday when he referred to Hay River as a thriving, entrepreneurial community. At that time I thanked the Minister for his kind words and, indeed, Hay River does have a very diverse economy, but when I heard my colleague from Yellowknife South talking about the possibility of having Yellowknife downgraded to a level two or three community, I have to take this opportunity to jump in and say that, although the economic base in Hay River is quite diversified, there are many industries in that town which, without some even small level or degree of government support, are not going to be viable and may find themselves on the ropes. I refer to industries such as manufacturing, forestry, commercial fishing, construction, all of these areas, even the egg production facilities in Hay River, all of these industries that I have listed are reliant, to some extent, on the actions that this government takes and on the kinds of purchases that they make. So although Hay River does not like to spend a lot of time, shall we say, bemoaning our state; at the same time we try to be resourceful and look for new ways of doing things. I do not want to give anybody the wrong impression that there are not industries that would be significantly negatively impacted without some degree of government support. I am glad that the Minister referred to his department's need to enhance and support existing economic activities, as well as spending money on spawning new business.

With that, I would just like to ask the Minister if the closure of the Hay River Abattoir, and the fact that Hay River is a level one community did come to bear in that decision with the Northwest Territories Development Corporation refocussing, and so on, if our level one status was an issue in that decision? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Yes, thank you. Just to say that if Hay River and Yellowknife no longer want to be level one

communities, then why would we have level two? The Northwest Territories Development Corporation was primarily set up to create jobs and economic opportunities in areas where neither the bank or private business would dare to venture. It is set up with the explicit view that they are prepared to invest in business initiatives and economic initiatives that would create jobs even if it meant operating at a loss, as long as the loss was a manageable loss. The government, through the Northwest Territories Development Corporation, was prepared to manage that. The primary purpose is to create activities and initiatives in remote outlying communities where there is a desperate need for jobs and business opportunities.

By definition, you would think that would leave out at least Yellowknife and Hay River. I am getting concerned here. I mean, we cannot all be equally hard-done-by. My instructions to the Northwest Territories Development Corporation is to gear up and be prepared to look at the communities, the outlying remote communities, the level two's and level three's as their primary target for work over the next year. Thank you.

CHAIRMAN (Mr. Ningark):

Questions. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. When I referred to the necessity to sometimes provide small amounts of help to existing businesses to make them viable, make a difference, or make or break; I think of the Business Incentive Policy, and I noticed that no one has brought it up here today, not even my friend from Nunakput. Can the Minister please tell us, Mr. Chairman, what the current status of the application of the Business Incentive Policy is at this time? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

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HON. STEPHEN KAKFWI:

Thank you. The Minister for the Department of Public Works, I think, is still responsible for applying the Business Incentive Policy. I am responsible for looking at changes to the Business Incentive Policy, and I am still in the process of doing that. As soon as

there is some time and the work diminishes a little, perhaps after the session, we will go to Cabinet for a discussion on the proposal on changes to the Business Incentive Policy.

I should point out that for communities like Hay River and Yellowknife to call level one communities, there is economic spinoff benefits to the government giving more support to level two and level three communities. Places like Kakisa and the Hay River Reserve, Providence, the more money is generated, the more jobs that are generated in those communities, the more money flows into Hay River and Yellowknife as a result. So there is a very direct benefit to level one communities from the effort that the government is making in level two and level three communities. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number three, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I appreciate that is the case and Hay River does, in fact, hope for and encourage the economic development of the surrounding communities. We do appreciate the business that those communities do bring into our community. With respect to the economic benefits and spinoffs from the diamond mining operations which are in place now and the ones that will be in place in future, I have obviously had discussions with the Minister on previous occasions and have found that his approach to the distribution of those benefits to be very open-minded and very fair. The issue of the diamond sorting and valuating facility is one that keeps coming up, although it is only one component of a much larger range of possible benefits. Could the Minister provide any kind of indication as to what role his department will be playing in facilitating the distribution of the benefits derived from the new Mineral Sector Development? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. Mr. Chairman, as a Minister and as a government, I think we are primarily focused right now on trying to help bring to the attention of the federal government that there are many, many economic

benefits that Canada can gain through the diligence and attention of the federal government. For instance, they can insist that an valuation facility be located off site in a Canadian community, not a mine site. They can insist that royalty payments to the Canadian Government and Canadian people be made in kind, that Canadian diamonds should be sold in Canada. Those are some of the things that we think the Canadian Government can insist on and provide for in legislation and through its discussions with diamond producers.

So that is the primary focus right now. If we can get that, then I would think that we can then get the Canadian Government to agree that an valuation facility for the purposes of sorting and also for marketing, should be located at a community in the Northwest Territories. We do know that there are people who buy diamonds, who cut and polish diamonds who produce jewellery from diamonds, are prepared to invest in a community in the north, to set up shop here, to train people and to do it without any government incentive and that there are people who think it is very economical to be able to buy diamonds right here and to cut and polish them, and sell them, again to retailers.

We are in the primary focus right now trying to find out, and if there is not any, to help define what the national position of the federal government is. Our position, of course, is that we have to maximize the economic benefits of diamond production right here in the Northwest Territories and that we have to engage people from the diamond industry and ask them to come forward with proposals on how our communities, not only Yellowknife, Hay River and the larger centres, but the smaller communities as well, can benefit from diamond mining. As a Minister, that is really where we are at in this regard. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. We have less than seven minutes and dinner will be served. From experience, if we do not go to the lounge before six, all the good stuff will be gone, eaten by the eastern Members. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I find the Minister's comments very reassuring, and I know that he will continue as he takes the role of leadership on this issue of economic benefits from the mineral sector. I know that he will continue to look at ways where as

much the government can, they will see that there is a fair distribution of those benefits. Mr. Chairman, I think we will take your advice. I think that was three or four questions I was at. If I have any further, I would delay them until after the break. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Groenewegen. You have four more. Mr. Minister, would you wish to respond now?

HON. STEPHEN KAKFWI:

I shall also save my response until after the break.

CHAIRMAN (Mr. Ningark):

Thank you. We will take a break. I still have on the list Mr. Erasmus, and that is it. Thank you.

--Break

CHAIRMAN (Mr. Ningark):

I would like to call the committee back to order. I have a list of Members that wish to speak, but unfortunately they are not in this forum at this time. There are Members who have had not asked yet of Minister Kakfwi that wish to ask questions. Yes, Mr. Picco.

MR. PICCO:

Thank you very much, Mr. Chairman. Mr. Chairman, I would just like to begin on the Department of Resources, Wildlife and Economic Development and the other portfolios under Mr. Kakfwi by saying that I have always been very pleased with my working relationship with Mr. Kakfwi. He has always been available to me for questions and concerns and I would like to start my questioning on environmental areas. Earlier in the House we discussed a situation regarding DEW Lines and cleanup. I am wondering, does the Minister in his meetings with other provincial counterparts, have they addressed concerns with military sites other than the ones in the Northwest Territories because I do know that there are some in Labrador, we had them in the Yukon. They are also located because of the mid-Canada line in quite a few of the provinces. So I wonder, has this issue come up with some of

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these other counterparts and are they looking at maybe working together as a group to help push the

federal government with the types of cleanup negotiations and responsibility of the federal government? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. No, I cannot say that we have actively sought out other jurisdictions and compared notes, but it is something that our staff are monitoring. The Department of Indian Affairs and Northern Development and the Department of National Defence are collaborating in the cleanup of these DEW Line sites and weather stations. It is at the staff level that most of the cooperation and sharing of information is taking place. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. One of the other issues I was going to bring up was concerning Economic Development and the Business Credit Corporation have been rehashed by other Members. So I would like to stay with this subject on the environment. The Arctic Monitoring and Assessment Program found that Inuit whose diets are rich in marine mammals have two, Mr. Chairman, two to four times higher levels of PCBs in their blood, and five to twelve times higher levels of mercury than southern populations. That is shocking. Levels of these pollutants in some Inuit populations are at or exceed levels associated with neurological problems in children, Mr. Chairman. Wildlife are also suffering from increased toxin levels that could affect reproduction and behaviour. These are very serious concerns.

Mr. Chairman, I am wondering if the Minister has had an opportunity to look at the Arctic Monitoring and Assessment Program and has he had an opportunity to read that report? As a government are we looking at addressing some of these concerns? Although I know that a lot of the chemicals that are involved in the toxins are airborne from southern locations, there are some things that we can do. For example, lobby southern firms, lobby the federal government and so on. So I am wondering, first of all, I guess my first question is, is the Minister aware of the report Arctic Monitoring and Assessment Program?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. Yes, I am aware of the program and the report. No, I have not read it. Most reports of that nature are usually provided to me in the form of a briefing and depending on the number of questions, I have the details provided thereafter. I know that the federal government is now, hopefully and shortly, will appoint a new chairman for the Polar Commission, which has been an excellent agency that has been actively encouraging the federal government to do something about airborne pollutants and other pollutants that are affecting the environment, the wildlife and the people of the Arctic.

The Arctic Ambassador, as well, Mary Simon, has made it a lifelong quest of hers to do everything she can, to addressing the international forum to ensure that the arctic concerns in regard to the environment and pollution are addressed in the International Forum. While we do have growing concerns about airborne pollutions, about the levels of PCBs and mercury in the arctic food chain. We also have some recent developments that will help us draw attention to those situations to help us try to give her some support and assistance in addressing them. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, in this past June, the Arctic Ministers of the Environment met in Alta, Norway. In Norway, they have an agreement, on paper at least, that arctic governments will increase efforts to limit and reduce emissions of contaminants. Perhaps, more importantly, Mr. Chairman, that Arctic Eight acted for the first time as a single lobbying group. I am wondering if Mr. Kakfwi was involved in some of the discussions with the Arctic Eight, because he has mentioned the arctic council?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. The federal government recently asked me to head the federal delegation of that meeting. In later consultations I decided that it would be more appropriate if we asked the Arctic Ambassador to head the federal delegation, of which I was quite willing to concede. I know that it is an important issue. It is one in the international forum. The Office of the Arctic Ambassador needed to develop its own profile and presence in the international community, and this was another way to enhance that. I think the federal government had that mind in making that suggestion, and I was quite happy to comply. I have not, to date, personally received any update on that meeting, but I am sure the information is available. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, the situation regarding the environment, the area I am discussing right now is, of course, very important because many of our people are still subsistence hunters because of the price of foods, especially in the eastern and western northern parts of our territory. Greenland proposed in an arctic convention for the protection of the environment and conservation of flora and fauna. I understand some Members of this House will be travelling to Greenland next month. I am wondering if the Minister would be going to Greenland and if he does go, will he be discussing the Greenland proposal on the arctic convention for the protection of the environment? If he is not going, will that message be carried by this government? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. Mr. Chairman, no I am not planning to travel to Greenland. The delegation that will travel to Greenland has not been finalized, nor the specific agenda. But the Government of the Northwest Territories delegation will be following in the business they will conduct on our behalf while they are over there.

CHAIRMAN (Mr. Ningark):

Thank you. Question number five, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, one of the concerns that was raised when the amalgamation that was proposed to take place and now has taken place between Renewable Resources and Economic Development was the differential between both the economic side of government to foster a resource development and, on the other hand, to protect the environment. I am wondering how the Minister bounds both those roles and has he had some concerns brought forth from the public on that area, or maybe he could just basically update us on how he has dealt with that type of conflict on the one hand environment and on the other hand economic development? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. The department has done well in balancing the two in regard to the BHP project. It negotiated a socio-economic agreement. We also have the environmental agreement, which is a landmark in itself. In that first project, I think the public and ourselves are certainly satisfied that we have taken care of both sides of our particular mandate very well.

The Mackenzie River Basin Master Agreement is something that has taken us about 15 years to deal with. We have signed that off, I think all parties, in July. That is a major accomplishment on the environmental side. We have not done anything on a large scale, on the industrial side in recent months. I would suggest that we are concentrating too heavily in that area, but we are working on, for instance, simplifying the rules for acquiring permits for oil and gas exploration. We have suggested that we want to streamline the regulatory regime for businesses in the north. These do not necessarily have an environmental side to balance off with. I would say on the whole, the first major project, BHP, I think as a rule, everybody is satisfied that the government did well, in meeting the mandate of Resources, Wildlife and Economic Development. Very well in that case. That has been the first testing ground of this new department. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number six, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, the deregulation to support business is important because we need economic growth, but we also need to check and balance that the Department of the Environment and the Department of Resources, Wildlife and Economic Development gives us. I hope that the Minister continues to maintain a vigilant outlook on that to make sure that both do not cross. My followup question would be, this past May, five Canadian aboriginal peoples organizations, the Dene Nation, the Council for Yukon First Nations, the Metis Nation of the Northwest Territories, the Inuit Circumpolar Conference, and the Inuit Tapirisat of Canada, formed a committee to address the issue of persistent organic pollutants. I am wondering if the Minister has met with that group?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, no. I have not personally met with this group, but I would be prepared to do that upon request of a meeting. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Questions. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. I asked, did the Minister meet with that group that had been formed from the five Canadian aboriginal peoples organizations concerning the persistent organic pollutants programs, or POPPs as the acronym is explained. I am wondering if the Minister, although you have not met with them, is he aware of their formations? Has he asked for any consultation within our department with, for example, the BHP project, the Boston project in the Kitikmeot region, the gold exploration in the Meliadine Lake area. There is a massive amount of work going on throughout the territories. Stakeholders like this group could be very influential and helpful in providing some logistic information on these types of ventures and approaches. I am wondering if the Minister is aware of this group although I know now he has not spoken to them? Has his department been in contact with them about their major concerns, the persistent organic pollutants?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. As a Minister I have stated on many occasions to business groups, to aboriginal organizations, to municipal and environmental groups, groups like Greenpeace, World Wildlife Fund. My approach is very open and transparent. If they wish to meet, I am always available. I will make the time during the course of the amalgamation. When we are planning the amalgamation, I met many times with the different groups just to hear the concerns, some of the fears they had, try to address them. All of them, I would like to think, were given a very clear message that any time there was something that they wished to say to me, all they had to do was ask and I would do what I could to make the time available so I could meet and hear what it is they wish to pass on to me. Thank you.

CHAIRMAN (Mr. Ningark):

Final question, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, I did not want to get into technical questions, but seeing that the Department of Renewable Resources and Economic Development and also the Minister's portfolio is the environment and those areas were not addressed to-date in any great detail by the other Members, I wanted to bring up some questions on the environment and would like to thank the Minister for his time, and I will give someone else an opportunity to ask some more questions. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Looking at the Members with questions, I see about 14 blanks. That means 14 Members should have the opportunity to ask questions. But other boxes are full. That means Members asked all eight questions. It seems unfair, to a degree. Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Mr. Chairman, I would like everybody to listen. For people that do not speak Inuktitut, please put your ear piece on. Mr. Chairman, if I make a mistake, please let me know. There are only half of the Members from the Cabinet here. We went through

our fourth Minister now, and there are four more to go and this winter we will have the opportunity to ask the Ministers under oral questions. I would like to make a motion that the questioning of the Ministers should be shortened because we have to ask eight questions. I would like to make a motion because we have been asking the Ministers under review for two days

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now. I would like to make a motion that we change the questioning period from eight questions to four questions. (Translation ends)

CHAIRMAN (Mr. Ningark):

(Translation) Thank you, Mr. Evaloarjuk. How many did you want them to be reduced to? From eight to four? (Translation ends) At this point I recognize the motion and therefore I would like the Members to perhaps debate. What do Members feel on the motion? To the motion. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. I think the honourable Member's comments are worthy of consideration. We have been here a long time, and I think it has been a long two days. Therefore, we should proceed with some changes. I wonder if I can make an amendment to the motion to state that what we should do is have each Minister appear before us for an one-hour period, and every Member gets one question, then it goes around to the next Member and so forth for that one hour period. That way we can conclude this over the next four hours. Then we will have the wrap-up fairly quickly after that.

CHAIRMAN (Mr. Ningark):

I wish that motion was written. I am informed that Mr. Evaloarjuk's motion will be drafted and Mr. Ootes' amendment will also be written. So we will take a few minute break until the motions are ready. Thank you.

-- Break

CHAIRMAN (Mr. Ningark):

I would like to call the committee back to order. (Translation) Mr. Mark Evaloarjuk made a motion. Can you read your motion, please? Mr. Evaloarjuk. (Translation ends)

Committee Motion 1-13(5): To Amend the Mid-Term Review Process

MR. EVALOARJUK:

(Translation) Thank you, Mr. Chairman. I move that this committee recommends that the process for questioning Ministers during the Mid-Term Review be amended to allow each Member a maximum of four questions to each of the remaining Ministers, after questions to Mr. Kakfwi are concluded.

CHAIRMAN (Mr. Ningark):

The motion is in order to the motion. Mr. Ootes.

Committee Motion 2-13(5): To Amend Committee Motion 1-13(5)

MR. OOTES:

Thank you, Mr. Chairman.

I move that committee motion 1-13(5) be amended by deleting the words "a maximum of four questions to each of the remaining Ministers, after questions to Mr. Kakfwi are concluded" and inserting the words "to ask one question at a time, on a rotating basis, until there are no further questions or a maximum of one hour has lapsed; and further that this process begin after questions to Mr. Kakfwi are concluded". Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Ootes. The amendment is in order. To the amendment. Madam Groenewegen and Mr. Steen. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Ningark. I will not be supporting the motion or the amendment to the motion. We had a process that was agreed on here, maybe taking a little longer than it should, but to some of the Members, the Ministers left to be questioned, I do not have any questions for. For others, I have a line of questioning which I feel we should have the opportunity to deliver. I am very serious about this. I do not care if it has to go two Ministers tonight and two Ministers tomorrow. If we put that forward as a motion, we agreed to a process, we planned for it and I would feel deprived of my rights if I did not have the opportunity to question the four remaining Ministers in the same fashion as the first four. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. To the amendment, Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Can I speak to the motion and the amendment?

CHAIRMAN (Mr. Ningark):

Mr. Steen. No. To each, to the amendment. The original motion was moved and then, after the original motion subsequently it was an amendment to the motion. So the amendment to the motion, in this case, is at the table. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. I would prefer to speak to the motion later.

CHAIRMAN (Mr. Ningark):

To the amendment for the time being, Mr. Steen. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I cannot support this amendment simply because you need more than one question in order to get after whatever you are trying to get at. Usually you take one or two questions to set up the real question you want to ask. If we are only going to be able to ask one question and not be able to ask another for another forty, forty-five minutes, we may as well quit and shut it down, it is no use. We are here to ask questions. We agreed to this before we came here. We talked about it. I do not know how many times, and finally agreed to a process and all of a sudden people are trying to change things in the middle of the show because it is taking a little bit longer than they had expected. If people want to go a little faster, then do not take so long to answer the questions and do not take so long before you ask a question. I cannot support this amendment. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I had Mr. Picco. To the amendment Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, I will not be supporting the amendment to the motion as I also believe, after asking eight questions to the previous three or four Ministers, and to just turn the tables and only have one question in an hour to the other

Ministers, is not fair. Is not the reason why you have the Mid-Term Review? I will not be supporting the amendment to the motion.

CHAIRMAN (Mr. Ningark):

Thank you. This is the first time we have a full quorum since yesterday. Mr. Miltenberger.

MR. MILTENBERGER:

Mr. Chairman. I think that was a good observation you made, that this place is empty most of the

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time. Mr. Chairman, we agreed as well, and we knew from the outset, two days we would commit to this process. There is a two day deadline if you want to talk about changing the rules, that is one thing. We also knew that when we agreed to all the time allotments, if you added them all up and everybody used all their time, which everybody poo pooped, there would have been 55 hours plus. If you did an average it would be 27 hours plus. We are on the horns of a dilemma. How do we compress time? Einstein could not figure it out. I do not know if we are going to be able to. I do not really care at this point, how long it takes as long as we finish today. I am not interested, nor will I support extending this thing pass tomorrow. That is the one thing we committed to and all agreed to. Two days, that is it. If we want to stay all night, I am more than willing to do that.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Miltenberger. To the amendment, Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. When the motion first came up, the amendment, I thought of supporting it but there was so much discussion on this, and how the process should follow. I think we will be doing ourselves a disservice from swallowing our own medicine. We wrote the prescription, we should take the medicine. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. To the amendment, Mr. Ootes. Mr. Ootes, you wanted to be the last one to speak. I have Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. I, too, will not be supporting the amendment. I feel if we started a process, there are rules that were set. We allow ourselves the time, if it takes a lot longer than expected, then so be it. For the public and the people we represent and to this Cabinet, that when we elected them to their positions, that basically this review was in the works, two years ago. It is not something that we just dreamt up. This is something we basically agreed was going to happen to make Cabinet and the Premier accountable not only to ourselves, as Members of this House, but the people we represent. I think we have to allow the process to continue as it was laid out. If it means going all night, so be it. Let us do it. We allow the speaker the flexibility to basically set the time to be allowed, so that we could conclude this procedure. I will not be supporting the amendment.

CHAIRMAN (Mr. Ningark):

Thank you. To the amendment from the Members. I wonder if Mr. Ootes, I think the amendment has been determined. Mr. Ootes.

MR. OOTES:

It could very well be, Mr. Chairman, however, I think in the interest of time I have made this amendment because I foresee that it will be a very long night and Members have to judge that for themselves. I did see how it went for the last two days and I must say, at times, there were two of us in here to ask Ministers questions. If that is the kind of interest we are going to show, then I am sorry. I want to express my concern about the length of time this is going to take. We have to be dedicated to this, and if we are going to sit here and keep our Ministers here, and there is going to be one person sitting here asking the Minister and one Minister back and forth, I think there needs to be a lot more interest in this process and I appreciate the Members have a lot of questions, I do too. As time goes, I will get my questions answered if I cannot get them answered here because we do have the process tomorrow to go into as well. Let the vote fall where it may. Mr. Chairman, I have done this on a basis of trying to bring some order to this system. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Premier to the amendment.

HON. DON MORIN:

Thank you, Mr. Chairman. Cabinet will be abstaining and going on the will of the House. We are here as long as you guys want us to be here. Thank you.

CHAIRMAN (Mr. Ningark):

To the amendment. Question has been called. All those in favour? Opposed? Amendment is defeated. To the motion. The original motion. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, I will not be supporting this motion. Along with the other Members, I knew coming in here there was no way we could fit 27 hours into two days. It did not even make good arithmetic. We knew before we got here, this thing is going to drag on for more than two days. If we are reasonable people. I would support a motion to report progress after we are finished with Mr. Antoine tonight. We can carry on tomorrow. We have stopped working for us and I, for one, cannot see where it becomes unreasonable sitting here until one or two o'clock in the morning, just to prove a point. We are going to wake up the dead. I think by one or two in the morning we just might as well call it quits because none of us are going to be asking reasonable questions and even tempers may start running short and it may be hard to control the meeting. I suggest we act like reasonable people and shut it down after two more Ministers. Thank you.

CHAIRMAN (Mr. Ningark):

To the motion. Madam Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I fully agree with Mr. Steen. I do not see any harm in postponing two Ministers until tomorrow if we agree to report progress at the time the next two Ministers... I would like to ask for clarification on how a motion to report progress after the next two Ministers would affect tomorrow's proceedings? Thank you.

CHAIRMAN (Mr. Ningark):

Right now, we are dealing with a motion. An original motion by Mr. Evaloarjuk. To the motion. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I would like to know how many Ministers are left and what order they are in?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Erasmus. As a motion was drawn we are dealing with Stephen Kakfwi and we have Madame Thompson following immediately after we conclude Mr. Kakfwi. Madame Thompson, Mr. Antoine, Mr. Arlooktoo and then Mr. Dent. We are still reviewing Mr. Kakfwi. So we have yet to review, one, two, three, four Ministers after Mr. Kakfwi. To the motion. Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Thank you, Mr. Chairman. I was the originator of this motion, and I am speaking to this motion. I am not saying that I do not like the way the other Members were asking the Ministers. In fact, I am supporting their questioning. However, I do realize sometimes that if one Member is questioning a person another Member raises the

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same question and the same Minister has to answer the same question over and over. We have been in here for two years now and everyday we meet in this House and have the opportunity to raise questions during question period. So I feel that sometimes we are duplicating some questions. We still have two years left to question the Ministers within this house. I thought I had the understanding that within two days we would be finished with this Mid-Term Review.

We have been meeting all day and then we meet right into the night. How many days have we been meeting here as the whole? If we can add up the hours that we were questioning yesterday and today, how many hours have we been here altogether now? We should be having hours from 9:00 to 5:00 and sometimes we have meetings from 1:30 to 6:00. I feel that we should be following the time that we have been allotted to deal with these issues. That is the reason I wanted to make a motion in this regard. I know that this motion might be defeated, however, I will not be feeling sorry for myself if this motion is defeated. I just wanted to say this for myself. Thank you, Mr. Chairman. (Translation ends)

CHAIRMAN (Mr. Ningark):

To the motion. Question has been called. All those in favour of the motion? Is that six? Opposed? The motion is carried. There were six, five in favour of the motion.

--Applause

Thank you. We will continue with Mr. Kakfwi and with the old rules. I lost my list during the commotion. But I do have Mr. Erasmus. Mr. Erasmus are you on the list here?

MR. ERASMUS:

Thank you, Mr. Chairman. One of the building blocks of the Agenda for Change was to take action on aboriginal issues, and I recognize that we did not appeal the Noel case when a Treaty 8 elder was hunting on the Ingraham Trail and in a no shooting zone and he won his case. But after he won his case and we did not appeal it, the government chose to move the no-shooting boundary closer to Prelude Lake on the Ingraham Trail, which is where most of the people live. Rather than respecting the aboriginal right so that you just do not prosecute the aboriginal people with the treaty right to hunt there, they move the whole boundary so that everybody could hunt there, which greatly increased the amount of hunters in that area than if they would have just allowed the aboriginal hunters to hunt there. What I would like to know is, why we moved the boundary back, closer to where most of the people live rather than just leaving it where it was and not prosecuting the people with the treaty right to hunt? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. Mr. Chairman, it has been some time since I dealt with the specifics of that case and we were working on it with the Department of Justice, but as I recall, the proposition was made with the attendance of the Chiefs in this area. I believe the Metis were involved as well. We thought that would constitute a workable compromise, seeing as we were dealing with the primary concern, which was safety for everyone concerned. Secondly, not wanting to confront, or appear to damage the integrity of the aboriginal peoples' right to hunt in this area. We thought the pursuit of the issue of safety, as well as trying to still respect the aboriginal right to hunt, that would be a workable arrangement. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Mr. Chairman, with all due respect, I was in a couple of meetings where the band was indicating that they wanted the boundary to remain in place, and just not to be prosecuted up to where they did actually move the line. But, my next question is in the area of commercial hunting and fishing treaty rights. Recent cases in the south with treaty Indian people indicate that commercial hunting and fishing are treaty rights that are protected by the constitution because people were commercially hunting and commercially fishing at the time the treaties were made. I would like to know if this government has done anything to respect the commercial right to hunt and fish by the treaty people in the Northwest Territories?

CHAIRMAN (Mr. Ningark):

Thank you. Question number three. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman, no we have not done anything specific in regard to those court cases that the Member is referring to. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Erasmus, I would like to apologize, that was actually question number two. Question number three, Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Would the Minister commit to having his staff investigate these court cases, look into them and see if there is any way we can assist the treaty people in the Northwest Territories so that they can actually exercise their treaty right to commercially hunt and fish? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. I would be happy to do that. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question, Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Erasmus. Earlier, the honourable Minister indicated, I believe it was to Mr. Ootes, under

questioning he indicated he may be willing to fund the tourism associations if the Members contributed to their costs. I was wondering if the Minister has conveyed this message to the association, and if he has not, will he do so?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Yes, thank you. Mr. Chairman, I have attended a meeting of the tourism group and I have addressed the Members last spring. I conveyed very clearly, also in writing, what the expectations are. So that has been done. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I will give the rest of my questions to Mr. Picco.

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CHAIRMAN (Mr. Ningark):

Thank you, Mr. Erasmus. For the record you still have four questions if you want to ask the Minister later on. Mr. Krutko indicated that he wanted to ask questions. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My question to the Minister is in regard to the Gwich'in Land Claim and also the Sahtu Agreement that allows for a review process to take place between the aboriginal organizations and this government in regard to reviewing programs and services, especially in regard to economic development. To ensure the viability and exactly how they are benefiting specific organizations, could the Minister tell me if as the Minister has his department made an effort to ensure that these activities are carried out to review and look at programs and services, especially in regard to economic development with the aboriginal organizations?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. Both the Gwich'in and the Sahtu leadership are quite aware of that provision in their claim. Mr. Nerysoo and I had arranged a meeting in September that for whatever reasons did not materialize. But Mr. Nerysoo had called to arrange a meeting with myself with the specific purpose of beginning discussions on that specific provision. The Sahtu leaders, as well as their legal counsel I believe, is aware that that provision is there, and as a Minister I have tried to suggest that we need to organize a conference or a meeting to discuss that provision. There is no suggestion yet from the Sahtu Secretariat as to when and where and with whom they would want to begin discussions on living up to the intent of that provision. I am prepared to do that on request from either region at this time. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My question is in regard to an area that was listed as one of the priority items of this government and also to be concluded as soon as possible in regard to the Northern Accord and as we followed the procedure and also as a Member of the resource committee, we have always felt that in order for us to receive other revenues, we have to conclude the Northern Accord in order to access the royalties that the federal government presently receive, in which those revenues remain in the north without flowing south to Ottawa. I would like to ask the Minister in regard to the Northern Accord, which from the comments from the Premier, he has given you the mandate to carry it out to see what you can do to conclude it. I would like to ask the Minister, how soon are you going to start the process trying to conclude these negotiations and have an agreement in place to transfer the Northern Accord to the north?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman. It is a fact that the federal government, when the previous liberal government first took office, the Minister at the time, Ron Irwin, tasked an individual named Mr. Wright to advise him on the issue of devolution for the Yukon and devolution for the Northwest Territories, on how he may be advised

to proceed in regard to the two jurisdictions. It was Mr. Wright's view at that time that, in short, was in the Yukon. It is politically improbable and not doable in the Northwest Territories. The federal government consequently focused its attention on beginning talks with the Yukon Government which concluded last month with an agreement.

In the Northwest Territories since Mr. Irwin was first elected and even previous to that, different Ministers of this government have tried to reach an agreement with the various aboriginal organizations and leaders. In particular, the Mackenzie Valley, it proved impossible, to reach consensus. At one point, I think, with Mr. Todd, the majority of the aboriginal groups were on the side of the government because it was literally four months before an election, and it was felt politically, not the right thing to do. They decided not to request the federal government to proceed on a transfer.

As a Minister, I have been recently asked by the Premier to accept this file and advise Cabinet on, how probable it is to proceed with this file. It is my view, with division a year and a half away, it is more than highly improbable we can advance this case with the federal government. It is going to take a lot of work, and demand a lot of our attention that is politically very difficult to project. I have difficulty in seeing any consensus of most of the aboriginal communities, let alone the aboriginal groups, particularly in the southern part of the territory in the Deh Cho, in the South Slave and in this area as well. I do not know that even if we could give everybody the benefit of the doubt, that even in this case we could reach a consensus fairly quickly on the fundamental points regarding division. The time lines are such, that it would not be possible to proceed with the federal government.

Having said that, we will still be working to try to advance the file. We need to give the aboriginal groups the benefit of the doubt and see how prepared they are to move this file along and not just see it as a bargaining chip with us. We should look at ways we could perhaps deal with the different elements regarding devolution on an interim basis, for instance, revenue sharing. Is it possible to advance the issue of revenue sharing with the federal government and with the support of the aboriginal groups? If not, without compromising or creating implications for the aboriginal case. Later on, if we proceeded with that, what are the implications of moving within the different elements within the overall devolution file at this time. We will have some discussions with

aboriginal groups on this, and it will take some work. I know one of the previous Ministers spent just over three quarters of a million dollars on this very process, this very question, only to find as Mr. Wright had done, on a lone crusade, that politically it is difficult, if not improbable to proceed with this file in an expeditious way. Thank you.

CHAIRMAN (Mr. Ningark):

Question, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. The whole question on the Northern Accord, there was a letter that was signed by Tom Siddon, I believe in 1992, to the president of the Gwich'in Tribal Council outlining the obligation this government had to the Gwich'in to conclude the Northern Accord to ensure they are able to develop benefits with regard to access on their lands, for development of their lands for oil and gas interests but because there is no Northern Accord concluded, it jeopardizes the economic viability of the region because the oil and gas company are left in doubt of having

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exactly what rights apply and in exactly what conditions they are going to operate under.

That is why it was critical that the Northern Accord be concluded because there is that obligation, not only from the federal Minister but also the letter was signed by Dennis Patterson, then premier of this government. I believe that obligation has not been fulfilled. It is a fiduciary responsibility from this government and also which that right was given to this government on behalf of the federal government by the Minister. I would like to ask the Minister if there is a possibility of these negotiations being concluded with those claims organizations that have that obligation in their land claim agreements and try to conclude the negotiations with those groups who that obligation presently exists, through the letter that Tom Siddon signed as the Minister of Indian Affairs and also Dennis Patterson? Can the Minister ensure or basically state exactly, if that is a possibility?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

MR. KAKFWI:

Thank you, Mr. Chairman. I think what the Member is suggesting is worth considering. I have just got the file recently, assigned to myself from the Premier. One of the more recent developments is the Mackenzie Valley Resource Management Act, which is an Act that is going to send out a management regime for land and water in the Mackenzie Valley. Much the same way, in the spirit of the original, in the government proposal that suggest that the Dene at the time, who wanted to govern themselves as a unit and the Mackenzie Valley Resource Management Act, simply proposes to set up land use planning, water and or regimes in keeping with that, we do not become vulcanized.

There is some consistency in the coordination up and down the Valley. Devolution fits in there because it would see us coming up with a single regime, a simple single set of rules for instance, oil and gas exploration for revenue sharing, mineral exploration, as well as management for inland waters and land in the Mackenzie Valley. What the difficulty is, is in the Inuvialuit region where there is a claim that is settled, the Gwich'in and the Sahtu. In those cases, for instance, the people there have land use planning capability, under their claim and under the Mackenzie Valley Resource Management Act. The Deh Cho would not have the capacity, nor would the Dogribs or the South Slave. They would get that through the provisions of the claims that they have yet to negotiate.

Devolution would basically provide an opportunity for two things. To all citizens of the Northwest Territories, it would provide us with a chance to have management control over land and waters and access to benefits, royalties from those resources. It also gives us an opportunity as aboriginal people to negotiate specific things for ourselves and to make it fit into whatever claim provisions that were negotiated. That is how I think people see the Northern Accord. Unfortunately, some of the aboriginal people simply do not want to proceed with this until it becomes clear to them what it is that they want and clear to them what it is that they might be able to get in the claims negotiations with the federal government. So, in many cases, they simply said no to the notion of devolution at this time.

One of the thoughts I have had is that there are really two questions we are putting to the aboriginal people. One is, as a citizen of the Northwest Territories, do you see benefit in proceeding with devolution at this time? And I would have to say that I think if a substantive case can be made that it is to the benefit

of everybody that we get management control and ownership over our resources, our land, our water, our minerals, our oil and gas. All we have to do is figure out how we are going to do it together. The other question that is specific to aboriginal people is, can this be done in a way that will enhance and not undermine or threaten your rights as an aboriginal person? There, perhaps, it is too befuddling. In many cases it is not clear enough and so it prevents people from answering the question. It is my view that if we can proceed we need to clarify those two things. Perhaps we can if the answer to the first instance is generally yes, then that would be sufficient for me to proceed even if the answer to the second question is no. If we can find provisions that would provide for the protection of unsettled, unclarified aboriginal treaty rights. That should be the basis on which to proceed. But these are just my initial thinking at this time and we would have to, in any case, make my case to the aboriginal leaders and then proceed from there. Thank you.

CHAIRMAN (Mr. Ningark):

Question number seven, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My other question has to do with the whole amalgamation of the three departments and the concerns that were raised by the public, especially in regard to the whole notion that you are mixing protection of the environment and development, in regard to the economics, in the other and you are pulling them together. At the end of the day is the environment going to loose? I think that through your department and the amalgamation in regard to the positions that have been vacant, a lot of concerns have been raised about the credibility of this amalgamation, especially in regard to people that, call them environmentalist or people that have concerns about the environment, especially environment versus development. So I would like to ask the Minister in regard to the whole notion of amalgamation, where it has gone and what has been done to ensure the protection of the environment? Especially in regard to public concerns that somehow we are selling out the environment for the sake of economics? I would like to ask the Minister, what has your department done in relation to that concern and what are they doing to clear it up?

CHAIRMAN (Mr. Ningark):

Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. Well, first of all, what the amalgamation provided for us was, it ensured that we still have some money to put into some of the programs we have in regard to wildlife and the environmental part of our mandate. Had we not amalgamated I would suggest that the Department of Renewable Resources, specifically, would have largely been gutted in order to meet the targets that we had set for ourselves in cutting our operations and maintenance budgets. The fact is, we have had through the process of amalgamation been able to retain sufficient money, for instance, to try to do something about the Peary caribou. We have had enough money left so we could continue trying to do what we can to salvage the Bootleg Bison Herd, to do cooperative research work in different areas of the Northwest Territories, where the money to fund the Kitikmeot Slave Study.

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There are a number of initiatives like this that we are continuing to do some work on. One of the things that I think I personally felt, I do not mean to say badly, but I wish it had not happened, was that some of the biologists we had who were, in my view, very well respected biologists, not only by myself but everyone in the department, by their own academic scientific colleagues, but some of them chose to resign rather than help people like myself figure out a way in which to meet the challenge of downsizing and reorganizing. I felt perhaps personally I could have done a little more had I known early enough to try to salvage the work relationship and to try to find a way to keep these type of individuals working with us as a team, but it was not possible. I was not given the opportunity, but I still feel that we did the right thing. We have not done anything to compromise the importance that all people of the north put on the land and the environment. The Member will know that this government in fact has very little actual jurisdiction in those areas, but we act as if we do, because we know how important it is. It is only through devolution that we will actually have real management, real ownership, real control over the land, the water and the minerals. Thank you.

CHAIRMAN (Mr. Ningark):

Final question, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the whole area of your department, the whole question about affirmative action and your department in which a lot of the positions that are there are basically community based in regard to economic development officers, the forest fire centre, people in the energy sector; so, I would like to ask the Minister in regard to the whole idea of affirmative action which we have been mentioning time and time again in the House to ensure that the numbers are increasing, not decreasing, and that we uphold statistics of trying to improve on the affirmative action policy and putting in place in all departments, especially the departments where they serve the aboriginal community the most. I would like to ask the Minister in regard to that area, how does he feel his department is doing and what has been done to improve it?

CHAIRMAN (Mr. Ningark):

The honourable Minister, Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you. When we started the reorganizing and the amalgamation we also did an inventory of the existing staff so we were quite aware of the aboriginal employees we have and the other designated groups within the affirmative action policy. The senior management was charged with the responsibility of ensuring that everything possible be done to retain all affirmative action employees, all aboriginal employees. The majority of our employees were at the regional and community level. That was the area where the minimum amount of change took place, so, statistically, we could provide to the Member a briefing note that could give him more specific numbers so that he can actually have numbers that were within the existing organizations, within the existing departments before amalgamation and what it is now under the new department. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. On the list I have Mr. Henry, Mr. O'Brien and Members who have not asked yet, Mr. Kakfwi, Mr. Barnabas, Mr. Evaloarjuk. We have Mr. Enuaraq who has not asked questions of Minister Kakfwi. We have Mr. Miltenberger, and Mr. O'Brien. Mr. Rabesca has not asked all of his eight questions. Mr. Roland is here. Mr. Roland, do you wish to ask the Minister any questions? There are Members who have not asked questions that wish to ask Mr. Kakfwi questions. We have the floor open. Take your time, I

am not in a hurry. Does anybody wish to ask any more questions? Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Yes, I would like to ask one question, Mr. Chairman. Can you hear me? I just want to ask one question. In the Amittuq area in the waters of Amittuq, Hall Beach area, they have been doing polar bear studies, and they have not really given any answers as to the status of the number of the polar bears. Does the Minister have any idea when they will be getting the results, around the area of Fox Basin, around Repulse and Igloolik, around that area? I wonder when that study will be completed and when we will hear from the biologist? I want to find out from the Minister if he knows the answer to the question I am asking as a Minister of Renewable Resources? (Translation ends).

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Evaloarjuk. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, the study is still being carried out at this time. The biologist is still out there conducting the study. The study is not completed yet. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Are there any other Members who wish to ask questions of Minister Kakfwi. Mr. Steen, you have used all your questions to Mr. Kakfwi. Are you asking a question, Mr. Steen?

MR. STEEN:

Mr. Chairman, no, I am not asking a question. I suggest we move on to the next Minister if nobody wants to ask a question.

CHAIRMAN (Mr. Ningark):

Do we agree that we will move on to Madame Thompson?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. I will now allow Members of the committee of the whole to ask questions of Madame

Thompson. The floor is now open to ask questions. Do we have questions? Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. In our document, Agenda for Change, one of the categories in there is empowering communities. It states that the community empowerment initiative is a corner stone of the Agenda for Change. I would like to know from the Minister how many communities to date have accepted the initiative and have moved forward on the initiative of community empowerment? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I would like to thank the honourable Minister Kakfwi for answering a question. I forgot to thank him. Thank you. Madame Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. We have introduced community empowerment two years ago to all of the communities. All of the communities are now involved with community empowerment, whether it is community assessment, community planning or training. Some of the communities have taken on transfers. I believe there are over 250 transfers across the Northwest Territories.

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I will be putting forward a report from the department in the next few weeks in regard to each community. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. On this initiative of community empowerment, especially in the time of budget reductions where a lot of communities were concerned, I know the community I represent showed some concern with transfers and recently this government undertook the initiative of the water and sewage changes. I would like to know as a result of the changes to the water and sewer policy, have municipalities, both tax-based and non-tax based, how many of them have had problems of meeting their budgets since that time? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. Madame Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. We capped the water and sewage funding to the communities and worked with them on being more efficient in regard to water and sewage. We did have a lot of communities concerned over the new policy, but the department has been very successful in going to each community and talking and working with each community. I do not have the detail in front of me as to which communities did not do well with their allocated funding under this program. I have not had any communities that are in serious problems. We have been there to assist them with the new policy. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have to remind Members because we are following the new. Each Member will be allowed four questions. Question number three, Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Would the Minister say that this being a major initiative of her department, would you say this initiative is moving ahead successfully and that municipalities are coping with the changes in a satisfactory way? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Madame Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. I can say I am satisfied with the assistance we are giving the communities. We have been there for them when they needed us in regard to this new policy. I know there have been major problems in Inuvik, and I know my staff have been working closely with the town of Inuvik in regard to this new policy. Across the board, my staff have been available to assist all the communities, and I have not had any major complaints coming forward that we have had to act upon immediately. We have been there on a regular basis to assist the communities to have a smooth transition from the old policy to the new policy. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. Final question.

MR. ROLAND:

Thank you, Mr. Chairman. Is your department proposing any new changes in the upcoming year, or new direction for municipalities to be dealing with or looking forward to? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Minister.

HON. MANITOK THOMPSON:

Mr. Chairman. No. We are not.

CHAIRMAN (Mr. Ningark):

Thank you. Questions are open to questioning Minister Thompson, Minister of Community and Municipal Affairs. Do we have questions from the membership of the committee of the whole? Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. I would like to ask the Department of Community and Municipal Affairs a certain question. Mr. Chairman, is the department mandated to provide and initiate community empowerment? Could you please elaborate on where the initiative presently stands or any community accessing funds available to pursue this?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Rabesca. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. We have all our regional departments working with the communities, and there are funds available to start on their community planning, training and assessment needs. Funds are available for all the communities if they wish to hire someone to help them with their community empowerment initiatives. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Mr. Rabesca.

MR. RABESCA:

How many communities across the territories have access to these funds or dollars available to them?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Rabesca. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. All the communities can access this fund through their regional offices. To help them with their community empowerment initiative. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Did you get the answer, Mr. Rabesca?

MR. RABESCA:

Thank you. Another question regarding the same issue. What is your department doing to ensure successful transfers are taking place in this regard?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Rabesca. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. When the department took over CTI, it was just about transfers. When MACA took over the community transfer initiative, we made it more of a community development approach, where we want the communities to have a very good foundation before we transfer anything to them. We are working with all the communities with their planning efforts and any training needs for the staff at the local level. We are assessing each community so they have a good foundation before any transfer takes place. Thank you, Mr. Chairman.

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CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Question for Minister Thompson. Any further questions for Minister Thompson? Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. My question to the Minister is in relationship to the proposed Keewatin Mayors' Society. I wonder if the Minister could elaborate a little more on this proposal? Where she intends to take it?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. O'Brien. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. I believe it was September, 1996, when Kivallivik leaders had their leadership meeting. There was a resolution made by the mayors that we start on community empowerment initiatives. They had asked that the transfers of airports, housing programs and block funding of all capital projects be looked at. From there, because one of the initiatives of community empowerment is block funding, we were able to come up with a pilot project. The project proposes to the Keewatin mayors for them to be able to take on, as a whole, block funding for the region. There have been meetings with the mayors in regard to this. It is still at a proposal stage. There will be meetings in Whale Cove to decide on whether the communities want to go ahead with this or tell me what direction they wish to go on this. The mayors had a workshop in Rankin Inlet, and I believe the Member was there during that time. At the meeting the mayors said that they would go back to their communities, talk to their communities and come back with a direction for the department. So, at this stage it is just a proposal to the mayors in the Keewatin. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. My last recollection of the meetings regarding this proposal was, I believe, in Repulse Bay where there was quite a bit of concern and discussion over this issue. My question is, what would be different about this proposal as opposed to what we have now in the community empowerment initiative structure?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. O'Brien. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. The mayors thought that it would be better for them to make decisions on their capital projects that are happening in their regions and do it as a shared priority initiative for the whole region, where they can maybe also share specialists, for example, plumbers, mechanics and other specialized people. The mayors whom I talked to thought this was a better way of doing business. It would be sharing of resources. It is a new initiative and at this time, as I said, it is just a proposal the

mayors are talking about it, and we have had some mayors putting very good comments towards this. I am looking forward to hearing what they want me to do in the next phase. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Mr. O'Brien, you have two questions left.

MR. O'BRIEN:

Mr. Chairman, I do recall a part of a presentation in Rankin Inlet, which the Minister, I believe, was at, and it was indicated that there would be a one-time cost to orchestrate this pilot project. The individual that made the presentation on behalf of the pilot project of the committee indicated that we were asking whether or not this would be in the millions of dollars or whatever else, and he really could not say, but the inference was that it possibly could be as high as in excess of \$1 million. Where would this money come from to structure this?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. O'Brien. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. Community empowerment is an initiative that is under my lead and my staff is there to support community empowerment. They are working regular hours, sometimes overtime, trying to conduct presentations on community empowerment. That is what we are there for. The cost is staff time at this time, and I do not know all the details. The binder that was presented at the workshop in Rankin Inlet was not involved, and I was not there for the full day. I do not know all the details, but I do know that savings due to opportunities for more efficient program delivery and reduction of duplication at the local level would be realized through a mayors' association. That is where we are coming from. It is to share some resources and to do business more efficiently at the community level. I do not know all the details of the whole presentation. At this time all I can say is to date it has just cost staff time, which staff are there to do their jobs anyway. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Mr. O'Brien, your last question.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, I realize I have asked the question prior to this meeting in reference to how many communities would have to accept or agree to this sort of proposal. Back to my original question, I guess. The fact that this is going to create all these efficiencies, does that mean that what we have now is not quite efficient, and that we are going to move this type of endeavour or pilot project to all the other regions?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. O'Brien. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. The mayors realized that if they were to get block funded in each individual little community in the region, for instance, Whale Cove would have to hire their own engineer. Then Coral Harbour would have to hire their own engineer. This way they are not duplicating services and quite possibly sharing the resources of specialized people. That is why it is a more efficient way of doing business and, for instance, one of the comments that was made in one of the meetings is when a building is being built, for instance, an arena; a person reviews that piece of paper. Another person in another community may be hired to do the same thing all over again. So we are paying probably \$30,000 to do a review for each community when we can cut that cost. If we can share one person amongst the communities, then we are being more efficient. Thank you, Mr. Chairman.

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CHAIRMAN (Mr. Ningark):

Thank you, Ms. Thompson. Are there any more questions for Minister Thompson? Are we agreed that we are finished with Minister Thompson and move on to Mr. Antoine?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Agreed. Thank you. Are we agreed that we are finished with Madame Thompson? Mr. Picco.

MR. PICCO:

Yes, I just have one quick question for Madame Thompson.

CHAIRMAN (Mr. Ningark):

Mr. Picco, the Members agreed that we are finished with Ms. Thompson. We have a question for Mr. Arlooktoo. At this point in time I need some direction and I suggest we move on to Mr. Arlooktoo. Agreed? Mr. Ootes, you have questions for Mr. Antoine?

MR. OOTES:

I would ask your indulgence in that I was just out of the House for a few minutes. I do have some questions for the Minister of Municipal and Community Affairs. I wonder if we could return to that.

CHAIRMAN (Mr. Ningark):

Well, thank you, Mr. Ootes, but I would have to ask unanimous consent of the Members to move back to Ms. Thompson. I would like to remind you that you did put a motion to limit this thing to one question. Do I have unanimous consent? Are there any nays to move back to Ms. Thompson. You do not have unanimous consent, Mr. Ootes. Questions for Mr. Antoine? Are there any questions for Mr. Antoine? Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Mr. Chairman, again addressing the document Agenda for Change, and I see the role Mr. Antoine plays in a number of departments, one being economic conditions. Being transportation, there are a number of initiatives that we have heard in the House and in my region have been speaking about for many years. Some truly believe that this will never be, but I feel it is worth discussing and bringing up. We have heard of the transportation initiative in the past, but I would like to know if the Minister has prepared an initiative or an updated initiative for the Northwest Territories? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, this department has been working on a strategy for some number of months now. As you know, this government has had a transportation strategy in

1990, and they updated it in 1994. There are numerous requests for construction for roads throughout the whole Northwest Territories and, yes, this department has been working on a strategy. Unfortunately, we still have to do some fine tuning on it, and we, hopefully, would have something in place fairly soon. I think the Minister of Finance mentioned in the last couple of days that there is an attempt by himself along with the Minister responsible for Resources, Wildlife and Economic Development and the Premier to get together at some point fairly soon, if we had the time, and sit down to look at it one more time. So, yes, we have been working on an initiative. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Knowing that this has the potential, if looked at in the right way for employing many people, training many people in the Northwest Territories in a time when many regions, and especially the Inuvik region, is looking for employment and looking for any activity to try and counteract all the reductions that the area has faced; with this new initiative, is the department looking at different approaches than in the past? Because in the past we saw these grand plans that cost, for example, the Mackenzie Valley Highway, I believe the last plan I looked at priced it out at \$700 to \$800 million. We know that once we look at those figures it is prohibitive just looking at the numbers. So, in this new initiative are we looking at some different approaches and alternative ways of doing these programs and maybe doing them in smaller pieces so that it is something we can look at and can say they are achievable? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the strategy calls for looking at the continuation of the reconstruction of Highway 3, between Rae and Yellowknife, which is already in our five-year capital plan to be next year. So, that is in the plans and will continue to be there. The Mackenzie Highway extension from Wrigley on down to connect to the Dempster Highway has always been in the highway

strategy, as well as a road from Inuvik to Tuktoyaktuk. Another new initiative, recently, with the Slave Geologic Province there is, we will have to look at the Slave Province Corridor and other initiatives such as resource access policies. Most of these that we are looking at call for a substantial amount of dollars to do the work. Therefore, it is still quite a long ways off to attempt these, but what we are trying to do here is to propose that we consult with the stakeholder, including the private sector and aboriginal groups, as well as approaching the federal government to start looking at new ways of trying to secure funding for these initiatives.

I guess the honourable Member is right that it is more of a dream than anything else at this point in time. The funding part of it is the stumbling block, there are new approaches being undertaken throughout the rest of Canada in other jurisdictions. This government, through the Ministry of Finance, is looking at how private and public partnerships are reaching other jurisdictions when they try to build new infrastructures. I guess one other good example is that link between Prince Edward Island and the mainland, the bridge. There are different infrastructures throughout the country where these are attempted. Yes, we are exploring internally on how these were set up. We are looking at those possibilities. However, we are different up here that our traffic volume is very low and there is no way we could do the type of initiatives that were done in other parts of the country that are based on high volumes of traffic. Yes, we have to explore these. We have to look at consultation with the stakeholders in this area. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Roland.

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MR. ROLAND:

Thank you, Mr. Chairman. Mr. Chairman, yesterday when I spoke to the Premier on how his Cabinet operates when it comes to principles, and how they operate when they looked at things, his answer to me, going by Hansard, that he discusses the benefits northerners will benefit from the development, our resources and from all our activities of government, the affordability and sustainability. But I look at this area and the role of transportation, the Minister can significantly impact a region by providing the linkage. I think that would be obvious in this recently as the

Minister announced, in the area of Jean Marie River, where they will probably enjoy the actual connection now and be able to take part and enhance their community activities just by having the road available to them, plus the employment, as was stated, that was increased. I see this as a very significant area where you can positively impact regions and possibly help them to become a little more self-sufficient and not having to depend on the government as much. But the initiative has to be taken, especially in the alternative approaches, even if it is stretched out to a longer period. I would emphasize and I would hope that the Minister, in looking at his strategy, would be looking at these areas and looking at the regions as well. Use this to benefit northerners in the short term but would have long-term positive impacts. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. I am not sure I heard a question, Mr. Roland. Could you summarize that into a question?

MR. ROLAND:

Thank you, Mr. Chairman. Yes, going back to my earlier question would be, is the Minister prepared to look at alternative ways of approaching roads, whether it be on the land, winter roads or longer seasons and smaller roads, instead of going the big plan as before? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Roland. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, I think the Department of Transportation, in the last two years we have attempted to do that, and we will continue to do that. The initiative that the honourable Member mentioned about Jean Marie River is an initiative that the communities have been pursuing for quite a number of years. Within the last four summers, they were able to complete 27 kilometres of all-weather road. It is not designed the way we know the roads connecting us out of Yellowknife, but it is a smaller scale, and they are able to enjoy the highway on all-weather conditions. Therefore, it is substantially less costly than the type of roads than we have been building. Yes, we have done that.

On the winter road system, the last couple of years we were able to, with the help of the Legislative

Assembly, have \$700,000 a year for improving the winter road system continuing up from Wrigley up into the Sahtu area where we are improving the river crossings and will continue to do that. If we are able to acquire more funding of that nature, we will do more work. Certainly, we are looking at all kinds of avenues on how to pursue some sort of development of infrastructure. I must add that the building of new highways, I am told by the department, is really in the hands of the federal government.

However, the type of funding that we have received has been to improve on what we have. What we have been able to do is improve the winter road system and that helps in that area of development. We will look at other areas. The direction that is given to myself, as Minister of Transportation, is taken seriously and the department, with the resources that we have, we will look at what is possible. Hopefully, with a highway strategy and with the cooperation of the rest of the Cabinet and Legislative Assembly, we may be able to achieve a little more in that area. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Questions for Mr. Antoine. I have Mr. Erasmus and Mr. Evaloarjuk in that order. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. My questions are in relation to one of the building blocks again in the Agenda for Change which we had indicated we are going to take action on aboriginal issues. Mr. Chairman, I would like to know if the Minister is familiar with Treaty 8 and the Treaty Commissioner's Report?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Erasmus. Mr. Antoine.

HON. JIM ANTOINE:

Yes, I am familiar with Treaty 8 and the Commissioner's Report. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Is the Minister aware that in the Commissioner's Report the Commissioner indicates that he promised the Indians that signing the treaty would not lead to paying taxes of any kind?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Erasmus. Mr. Antoine.

HON. JIM ANTOINE:

Yes, I am trying to recollect the exact text of the Commissioner's Report, but among a lot of other conditions, I think that was one of the conditions. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Since we have agreed that we are going to respect aboriginal rights, treaty rights and aboriginal concerns and views in this document; does the Minister think it is proper that Treaty 8 Indians should still pay territorial income tax, although they have been promised they would never have to pay taxes in a constitutionally protected treaty in this report?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Erasmus. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, I guess if you follow the text of those conditions I guess that is the way it could be viewed by people who are Members of the Treaty 8 Group. However, in the Agenda for Change I take the view that there are certain circumstances that have not existed before I became involved in this Cabinet. I am not saying that as an excuse, but certainly those sorts of conditions should be looked at and as this government. We have taken the view that those sort of discussions are actually

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a bilateral type of discussion that should take place between the Treaty 8 First Nations and the federal government.

It is more of a negotiating type of a discussion that I think Treaty 8 are involved in some preliminary discussion now with the federal government leading to some sort of a formal process. I think this kind of area, I would prefer to leave it up to that forum for them to sort it out. There are a lot of grey areas in the Northwest Territories where there is Treaty 8 or Treaty 11, or this government had previously made laws or regulations that are infringing on treaty areas, such as this one here. Those sorts of areas have to be sorted out. The people who are in a position to do it would be the Treaty 8 First Nations when they are discussing some formal negotiations with the federal government. I would prefer not to answer that question in this matter. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I can appreciate the Minister's dilemma since the Treaty 8 people are in discussions with the federal government; but I am talking about territorial taxes, which has nothing to do with the federal government. This legislature has adopted this document which says that we shall respect aboriginal rights, treaty rights and aboriginal concerns and views when planning and making decisions, and we want to move forward. I would like to know if he, as the Minister of Aboriginal Affairs, would undertake to bring this matter to Cabinet, so they can look at this and, if proper, to rectify this injustice that has been occurring since 1899, and in the case of the Northwest Territories, since 1890. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Erasmus, do you wish to finish your question?

MR. ERASMUS:

Yes thank you, Mr. Chairman. I made a mistake with the date, in the Northwest Territories it was 1900.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. In this area of the members of Treaty 8 who are paying income tax,

territorial tax, I am told that this matter in previous governments was brought up and discussed. The point is that if Treaty 8 members are requesting to be exempt, then that request has to go to the federal government to deal with. It is a matter that has to be taken up between the Treaty 8 and, perhaps, the federal government and ourselves if that is the direction that members of the Treaty 8 want to take it. I think it is a matter that is a grey area, and there are many in the Northwest Territories that has to be cleared up. Certainly I would have the staff of Aboriginal Affairs take a look at it and have some good information on that, and I could provide that to the honourable Member and, as well as, bring it to the attention of the Cabinet. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Antoine. Questions for Minister Antoine, Mr. Evaloarjuk.

MR. EVALOARJUK:

(Translation) Thank you, Mr. Chairman. The Minister for Transportation also has a responsibility of safety and public services. First, I will explain there were not very many boats; there were a lot more canoes today in the east. There are more heavier boats, and they are hard to bring in land. There are times when they cannot get away from the wind, especially in Pond Inlet and in other communities where there is no shelter from the wind. I had written a letter to the Minister, and I am wondering if he received this letter requesting the Minister to visit Pond Inlet to see if they could get a dock facility so that he can see this is urgently needed. I believe we have to work hard to get dock facilities in communities where they do not have any. If the Minister understands my question, would he be willing to visit Pond Inlet? Thank you. (Translation ends).

CHAIRMAN (Mr. Steen):

Thank you, Mr. Evaloarjuk. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, I did receive the honourable Member's letter and the information I received from the department is that they are aware of Pond Inlet and the shore line off the community of Pond Inlet. I am told that the current is pretty strong in that area, and it will take some study to determine what type of harbour facilities could be developed there. Yes, I will take your comment to

visit Pond Inlet as an invitation, and I was hoping to hit all the communities in the eastern Arctic in the future. I will take that opportunity to go up there at some point in time. The staff of the Department of Transportation is aware of your letter, and they were planning to take a look at this community to see what the possibilities are for your request. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Antoine. Questions for Minister Antoine, Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. We had a number of priorities in the Agenda for Change, and I guess I am relating it back to that as I did earlier with one of the other departments. This department has experienced substantial cutbacks in its capital funding. What that has meant is the loss of many jobs to people in the construction industry. The Northwest Territories Construction Association has reported that upwards of 900 jobs have been lost in that particular industry. So on the one hand we have had a deficit reduction success, but on the other we are creating problems in employment for people. Now in dealing with this, and I certainly understand what we have gone through, we need to move from here. The question I have for the Minister relates in terms of some statements he has made before and comments about joint projects between government and private enterprise. I wonder if the Minister could expand on that because that I see again is where we can create employment through that system. Could the Minister tell us, and I only have one question to start with, is he contemplating this with a list of potential projects?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the Department of Transportation in trying to help out in the deficit situation was cut quite a bit, about 25 percent of our total budget was cut. Therefore it reduced a lot of the capital infrastructure that this department was providing. Therefore, in turn, even though we have permanent employees in this department, by the number of contracts we used to issue per year, we are able to generate the spin off of creating employment in the communities and the honourable

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Member is correct in that regard. With the cut backs it has had quite a drastic effect on that. Developing our infrastructure in the Northwest Territories by looking at the highway strategy, we have to look at the training and job creation in that regard. The strategy, as I said earlier, is not really complete; we are working on it. We pretty well have to finalize and fine tune it. However, we look at some of the major areas where joint private/public venture could be contemplated. There again this government is looking at how other jurisdictions have done it.

Currently we do not have anything that is really earmarked to go that route. We are still looking at what the possibilities are. I think an attempt by this government to change the way the financial arrangements are handled in this government might open the doors to that type of possibility as well. The areas that I mentioned to the honourable Member for Inuvik, is that the highway system between here and Rae has possibilities, and if we secure partnerships and funding, perhaps we would be looking at the road into the Slave Geologic Province, those are the possibilities as well as the road down the Mackenzie Valley. These are areas where those type of arrangements could be looked at. However, that is still subject to securing funding for those types of projects. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Antoine. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. Yes I think that process and that direction is essential from a recovery point of view here in the territories. I recognize that we just do not have the capital money any more to build infrastructure to the tune it once was. While I support it, I also want to ensure that a process of consultation and participation by decision-makers takes place here? I wonder if I can get commitment from the Minister that he will involve and consult with the Standing Committee on Resource Management once he starts developing to a concrete level the potential joint ventures, or joint venture if it is in one case? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Antoine.

HON. JIM ANTOINE:

Yes, the intention is to consult with and engage everybody that is going to be a stakeholder in this. First of all, this will have to be a Cabinet decision paper, and we are working towards putting it before the Cabinet for approval. Afterwards we will share it with the Standing Committee on Resource Management and the stakeholders, the private sectors, different aboriginal First Nations and the different corporations that they control. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Antoine. Mr. Ootes, your third question.

MR. OOTES:

Thank you, Mr. Chairman. I appreciate the Minister's intent in that. I just wonder if I could get a bit more clarification in the process. I would request that the Standing Committee on Resource Management be involved prior to Cabinet approving projects so that it can have its input. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Antoine.

HON. JIM ANTOINE:

Thank you. What we are developing at this point in time, it is quite a long way before we start approving projects, Mr. Chairman. We are developing a strategy on how to consult with stakeholders and try to get input and some ideas and direction on what possibilities are out there. Certainly we are far away before we start approving any projects and if we are going to advance that far, it will be after a lot of consultation with the Standing Committee on Resource Management. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Antoine. Mr. Ootes. Questions for Mr. Antoine, Minister of Transportation. Mr. Rabesca and Mr. Picco in that order. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. Over the last two years the Department of Transportation has been fairly busy rebuilding the highways, airport barriers, marine facilities. It is always nice to see their survey work being done on Highway 3 between Rae Access Road and Yellowknife. I also realize that with the tight financial situation that we are currently in, it makes

things very difficult to ensure that all projects that department staff would like to do. I know I would like to see more work done on a few projects. I, however, would like to thank the Minister for supporting a project in my riding with their technical expertise and understanding. However, I would like to ask Minister Antoine if he is still looking at the spring and summer of 1998 to start construction on the last portion of Highway 3 from Rae Access Road to Yellowknife? Could he also explain the timeframe and methodology to completing this important link? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the road between Rae and Yellowknife is the next project that is in the plan for the Department of Transportation to begin reconstruction of this section. At the present time, the plan is to do a section closest to Rae and as well as a section starting from Yellowknife. We will continue to do different sections until they link up. We have a 10-year plan to do that. However, as I stated earlier, part of the highway strategy is to take a closer look at that section, and perhaps, over the next couple of years, we may be able to make another arrangement to try and speed up construction in that section.

Yes, the plans of the department are to ensure funding is in place to continue to do the work on that section. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Antoine. Mr. Rabesca.

MR. RABESCA:

Thank you Mr. Chairman. I would like to ask another question regarding the winter road. Could the Minister give us any indication as to how he sees whether Robinson's Trucking is prepared to open a road to the Old Colomac Mines or if there are any future connections to the winter road going into Snare Lakes this coming winter? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Rabesca. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, my understanding is that the Colomac Mine is going to be shut down. The only reason for Robinson Trucking to go towards the Colomac Mine was to resupply the mine. Once it shuts down, they will no longer be required to go towards Colomac Mine. For clarification, the Snare Lake

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portion I believe, is about 30 kilometres that connects into the Colomac road and as a result we are able to have a winter road using the majority of the Colomac road to open up into Snare Lake.

However, now that the mine is planning to be shut, and there may not be a winter road up there any more, this area we have to look at. I am told we work with other departments, Public Works and Services and the Housing Corporation and perhaps Power Corporation to open up the road. In the past we were able to open up the road if there was a significant amount of resupply to go into the community of Snare Lake. All that has to be taken into consideration.

So, I guess at this point in time, my answer is that we do not have any plans, at this point in time, to put in a winter road into Snare Lake. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. On the list of members wanting to speak, I have Mr. Rabesca who is on the table. I have Mr. Picco, I have Mr. Henry. Mr. Rabesca, you have a couple more. Question number three, Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. However I would like to ask another question regarding the winter road connections in between some communities like Rae Lakes and Wha Ti. I was wondering how soon would the department be able to look at opening the winter road connecting to both communities since in the past, the Robinson Trucking used to open up the road earlier. Now that they are not opening the road to Colomac by the sounds of it, I was wondering how soon would the department be able to open up a winter road connecting Wha Ti to Rae Lakes and how soon would they be shutting it down in the future? February or March.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Antoine.

HON. JIM ANTOINE:

Thank you. When a private company like Robinson's Trucking open up a winter road, they get a land use permit from Northern Affairs to do that, and therefore, they do not follow regulations that we do, as the department of Transportation. We use the regulations for safety purposes, and we make sure the ice conditions are right before we start putting winter roads into the honourable Member's constituency of Wha Ti and Rae Lakes. Therefore, depending on the weather conditions this year, if the conditions are right then the construction of the winter road will commence sooner.

It is unknown to me at this time when the exact dates for beginning to build winter roads are going to be. This year it seems we have colder weather sooner, and if those conditions allow the ice to freeze to the required thickness, then construction will probably begin as soon as it is safe to proceed. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Rabesca. On the list I have Mr. Picco and Mr. Henry. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman and good evening. Mr. Chairman, just a couple of questions to the Department of Transportation to the Minister. Most of my dealings with the Minister have been good. The Minister has come to Iqaluit on a couple of occasions and has done a small tour of the town and looked at the break water in Iqaluit that he has helped to facilitate, and I appreciate that. One of the concerns I have with the Department of Transportation seeing the number of negotiated contracts that have been done with the department. It seems to me to be mostly on road work. I wonder if the Minister could explain the reason for those types of contracts?

CHAIRMAN (Mr. Ningark):

Thank you. The Minister can afford to travel. He is the Minister of Transportation, that is why he travels. Mr. Minister.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, in the west mainly where the highways are, the practice is to, there are different sections of the highway that is maintained by negotiated contract. This is done to provide the aboriginal corporations to gain experience

in that field, to develop expertise, perhaps do some training and to provide income to the local community and keep the revenues at the community level in the region. I think it has been beneficial in the area where those negotiations have been going on for some time.

However, we also have some sections that are publicly tendered, and we have some section that are maintained by our own forces. We have a mixture of different ways of maintaining the highway. Thank you.

CHAIRMAN (Mr. Ningark):

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

MR. PICCO:

Thank you Mr. Chairman. In a lot of respects, negotiated contracts in smaller communities do make sense where you have a select market, and you try to bring down the economies of scale. On the road development and road paving, one of the most expensive pieces of equipment, of course, is the asphalt plant itself, asphalt plant on roads. I wonder does the department have asphalt plants under the department itself or when they give the negotiated contracts out or whenever there is paving to be done, is that part of the contract to allow the company to buy an asphalt plant? How does that work? Because I know in my community, we have had to delay paving for three years now because we could not afford to bring in an asphalt plant that costs something like \$2.5 million. I wonder how that works?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister for Transportation, Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the reconstruction of Highway 3 between Fort Providence and Rae which we tried to complete this year, has been going on for a number of years. The nature of these contracts were all publicly tendered. This last summer for example we have two sections that two different companies were successful bidders. They are where the contractors make their own arrangements to provide their own equipment, including the asphalt plants. So, these are privately owned and the department does not own this type of equipment. We do not need to have it on hand. We do not use it often. Whenever it is required, then it is part of the public tender process. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number three, Mr. Picco.

MR. PICCO:

One of the disappointments I have had over the last two years with the Department of Transportation was in

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regard to the reduction and then the elimination in funding for the emergency response services in my community. Basically, the department came back with reports saying we did not need the ERS because of the federal regulations disqualifying us from having those. After saying that, I understand now that some of the major international airlines like United Airlines have had some concern with the removal of ERS that we were not privy to when the decision was made. I wonder has the Minister heard about this, and if he has, has he directed his departmental officials to look at it further and maybe just give us an overview on that situation? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister for Transportation Mr Antoine.

HON. JIM ANTOINE:

Thank you Mr. Chairman. Mr. Chairman in regard to the Emergency Response Services, the decision was, I could say, imposed upon us by Transport Canada according to their regulations, and the way they determined if the ERS is required at certain airports.

Quite a few airports in the Northwest Territories had the ERS and according to these regulations and the traffic flow that went into the airport; they had a certain limit that if the traffic flow is below a certain limit then they deemed the ERS was not required. As a result, we tried to work with the Municipality of Iqaluit. I think we tried the best we could to find different solutions to that problem. I do not know; we tried the best we can.

In regard to the major airline that the honourable Member mentioned, I am not too familiar with that particular situation, but I know we have been trying to work with the military to provide an emergency response service, and perhaps if we continue to work with them, we might come to some solution that solves this situation. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Picco, how do you want to use your final question?

MR. PICCO:

Thank you, Mr. Chairman. I would like to thank the Minister for his work on the emergency response service file because, indeed, he answered a lot of questions and calls from me and met with the community and sent officials over. It is still a major concern of mine that the emergency response service is not in place at the airport. I will take this opportunity to speak to the Minister about this at a later date, not today. My final followup question on the departments under the Minister's jurisdiction is with regard to his other hat, Department of Aboriginal Affairs. I believe, it is still under the Minister. Under the Department of Aboriginal Affairs, a lot of questions and comments have occurred over the continuing, ongoing self-government talks. One of the questions that we had was for the Minister to look at taking those different pots of money that are under the Executive and that is under the Department of Municipal and Community Affairs and under different departments and put them all under one hat, as it were, to help out with those types of self-government talks, mostly here in the west. I wonder if the Minister has made any movement on that area? Thank you.

CHAIRMAN (Mr. Ningark):

The honourable Minister, Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, in the Ministry of Aboriginal Affairs, it is a small department compared to other departments in this government. However, we are involved in quite a few different issues. We are dealing with land claims and with self-government issues and we are attempting to look at the different ways on how to be more effective and efficient in this department. If the question is that we are looking at ways of how to pool this money, I guess I could answer that we have not really looked at where the possibilities are. I think the money that is there to work in this area is quite limited, and perhaps we could say that we are attempting to try to look at it. They are different initiatives that are out there which are very similar, and I am not quite certain what the honourable Member is trying to get at, but the request was to try to pull some money together. I think we have done that. I think we have cut back in this

department so much that it is very difficult to cut any more. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, honourable Minister. On the list we have Mr. Henry, Mr. Rabesca. Mr. Rabesca has one remaining question allotted to him. We have Mr. Krutko. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I think it is fair to say that the privatization initiative of parts of motor vehicles has created a lot of frustration, certainly for some of my constituents. I would like to ask the Minister, what was the criteria used in deciding to privatize portions of the motor vehicles? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the motor vehicles services has been privatized throughout the north for a number of years, and the only remaining community that was not privatized was the community here in Yellowknife. As a result to try to accommodate that, we were able to privatize it. I think the direction here from the Legislative Assembly has been to see if the private sector could provide some more of the services and programs that this government is providing. I guess that is one of the directions that we followed to privatize this remaining motor vehicles services. Thank you.

CHAIRMAN (Mr. Ningark):

(Translation unavailable) Mahsi. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I hope there was more than just to see if it could be privatized if there were contractors here to do the work. I would hope there would be more justification for looking at it than that. The local contractor is taking a lot of the criticism that is probably directed at the department. I believe this government touted privatization from the main platform that it was going to be a service provided to the residents of the Northwest Territories cheaper than the government could do it. I think it is fair to say that people are paying substantially more for that service than they were when it was performed by the

government. So, again, I would ask the Minister, is not the main platform of privatization that there is a cheaper cost to provide the service to the public? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Antoine.

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HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the privatization of the motor vehicles issuing services, once we did that we also introduced a new fee structure that went along with that. The fee structure included the basic motor vehicles fee for driver's licence or for vehicle registrations, as well as there was a fee in there, a service charge, that is what the private contractor receives, along with some GST that was paid to it. So this is the increase in the price that the honourable Member is mentioning and, yes, the Government of the Northwest Territories did not gain any new revenue from the privatization of the motor vehicles' issuing services. I must regret that the increase in the cost to the public for motor vehicles' licensing services was part of a measure we had to take in trying to address this government's financial position of the deficit. The honourable Member is correct that in his mind that part of privatization would be a lesser cost to the public, but in fact we did not decrease the amount that we charge for the motor vehicle's fee. In fact, we increased it to accommodate the local contractor. So the question there is that, is it part of the platform to privatize to have a cheaper service to the public? I guess in this case it is not. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife South, Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. So then, from what the Minister has told us, the intent was and still is to have a cheaper service for privatization, and that the monies saved by the department really is to go towards the debt. So, it is not a true example of privatization. From my understanding, the department, as you have told me before, reduced three positions and also there was expenditure savings as far as office space and related costs. I think that figure was ballparked at around \$400,000.

So is it fair to say then that the contractor is providing a cheaper service, but the government is still charging for the fees that they charged before, and it is kind of a tax on this portion that the department is using for other internal operations?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, there is a fee to have a driver's licence. As well as registering your vehicle, there are fees for a lot of things in this government and the driver's licence fee is, whatever we get out of it goes into the general revenue of this government. Certainly the intention here by the department was to look at it as a budget reduction exercise where we eliminated some of our own people who were providing that service and now a private contractor is providing that service. Yes, it is an attempt to, on the part of the Department of Transportation, to help out in dealing with the deficit. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Your final question, Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I believe, if we use an example of a driver's test, the department charged \$30 for it before privatization, and now I believe it is \$30, the contractor's fee and GST. The government does not have any staff involved in it, so the \$30 fee is still paid, but the government are not incurring any costs for that and the contractor is providing a service for, I believe it is \$8.56 which includes the GST. So, am I correct in assuming that the government used to charge \$30 for that fee, and now it is really being provided for \$8.56? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, the department, when we gave out these privatizations throughout the Northwest Territories, there are a number of different agencies throughout the Northwest Territories that provide that service on behalf of the government, and they receive a fee for it.

The agency fee is, you mentioned \$8.00. I think that is the agency fee. There is GST attached to it, but the government fee portion of it does not have the GST. That portion goes to the Department of Transportation and goes into general revenue. However, all this different data that is collected goes back to the motor vehicles' area, and they data enter it so that we keep it in our general records. So there is some work within the motor vehicles' area besides the actual issuing of the licences. There is still some PY's that are still in the motor vehicles department that are doing the work of making sure that everything is recorded and everything is registered so that we have a complete computer system there that keeps track of everything. So this fee here, yes it goes back to general revenue, but at the same time we still have a function in motor vehicles division that is keeping track of all this different data.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Rabesca, you have one remaining question. Do you wish to ask the Minister?

MR. RABESCA:

Yes, thank you, Mr. Chairman. I would like to ask the Minister of Transportation regarding this whole area of privatization under the licensing of drivers' licences. I do not think that most of the people in my constituency like the new system that has been set up regarding the way the drivers licence expiry date has been set up. I think the person has to renew his driver's licence on his birth date, and I guess most of them tend to forget on their birthday that their drivers' licences have expired. Going back to the old system, I think the people will be able to give at least a month's notice to renew. I think that is the system that they want to see if it is possible to get back into the old system due to the, right at the moment, some of them who had drivers' licences been expired a few months past their birth date, I guess, and some of them got a ticket for it. If the months dragged a little more than anywhere between four to six months, I guess after that you tend to go back through a driving test again that most of the people do not feel comfortable going through again. So, I was wondering if the Minister would be able to see if we would be able to have the driver's licence expiry dates changed back to the old way that they used to be in the past. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Rabesca. The honourable Minister, Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, anytime you make a change there are always some problems that you do not foresee that come up. I am aware there is a lot of confusion over the new way of issuing licences. I think the department is aware of it. At this point in time we do not plan to go back to the old ways. As more people become aware of the new system, people will get

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familiar with it. I certainly will take the Member's concern and advise the department to see what other possibilities are there to address that concern. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have one name remaining on the list. That is Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My first question to the Minister is in regard to his portfolio as Minister of Aboriginal Affairs. It is in regard to a section of a land claim agreement in regard to aboriginal rights and treaty rights that people have, especially regarding the constitutional protection of land claim agreements. The Minister's portfolio is Aboriginal Affairs, is to ensure those rights are protected as part of your portfolio. It is in regard to the whole idea of the Northern Accord and the whole area of rights that presently fall in place. I mentioned a letter that was sent to the president of the Gwich'in Tribal Council, August 23, 1991, signed by Tom Siddon. It states, "in order to overcome the difficulties in support requirements that are needed to reach with the Government of Canada, undertake to incorporate into the Northern Accord an arrangement transferring legislation authority to the Government of the Northwest Territories to provide for aboriginal subsurface benefit agreements on settlement lands with respect to oil, gas and minerals." It goes on to state, "with the transfer of the legislative authority over oil, gas and minerals under the Northern Accord, the Government of the Northwest Territories is committed to introduce legislation based on the Canadian Petroleum Resources Act, and the Oil and Gas Production and Convention Act, and will include

provisions for aboriginal surface benefits on settlement lands."

As the Minister who is obligated under these agreements and as the Minister of Aboriginal Affairs, I would like to ask the Minister, what has he done to ensure that aboriginal rights are being adhered to and that they are looked at either whenever policy is being changed or regulations in regard to the cuts that were made in this government, in regard to the whole area of health and education cuts that affect aboriginal rights? Is there someone in your department who ensures these things are looked at whenever legislation is being drafted or cuts are made that will effect those rights to be carried out? In which, a lot of aboriginal people today feel that their rights are being jeopardized by these cuts and also the rights that they have under constitutionally protected agreements. What have you done in regard to ensure that their rights are being protected, as Minister?

CHAIRMAN (Mr. Ningark):

Before I ask the Minister, I would like to recognize up in the gallery Jake Ootes. Mr. Minister.

HON. JIM ANTOINE:

Mahsi, Mr. Chairman. Mr. Chairman, as the Minister of Aboriginal Affairs my responsibility is to be aware of the treaty and aboriginal rights and see that they are protected for aboriginal people. Whenever there is an initiative by an aboriginal First Nation organization in dealing with their rights, we respect that and we view those sort of discussions should really be with the First Nations and the federal government wherever there is a dispute in this regard.

As for my role in this government in regard to policies and regulations that are being put forward by the different departments that are viewed by aboriginal people as infringing on their treaty and aboriginal rights, we feel that has to be looked at in the area. The members of the Cabinet are aware of it. I think when the different Ministers participate with their counterparts, there are fiduciary responsibilities of the federal government towards aboriginal people. It is always mentioned. As my colleagues are aware of that and during the discussions internally in regard to putting legislation forward, there are usually some of our officials that participate internally in these discussions and Aboriginal Affairs is involved in all the areas that affects the aboriginal people.

We have officials, mainly the deputy minister plays a key role in that area, when they deal with his counterparts in regard to development of policy and legislation. There is a real need to look at these grey areas that exist between this government and aboriginal people. I think earlier on in our term we were able to meet with the aboriginal leaders and sit down. We have had a mean number of meetings, even the Premier and I have been able to sit down with the Aboriginal Summit leaders whenever they meet. We have general discussion on areas of mutual concern. That is a good forum to address the concerns that you mentioned today. I think there are a number of initiatives I could say that I have done to ensure that aboriginal rights and concerns that come from aboriginal people are taken seriously in consideration by this government. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My other question deals with the respect that the committees have in regard to their responsibilities they have which you fall under. As chairman of the Resource Committee I feel that there are times that we feel like we are being left in the dark, especially in regard to decisions that we discussed in committee and reports that we tabled in this House and especially in regard to decisions we feel are made especially in regard to the whole area of airports and the Rankin Inlet tank farm.

We seem to come to the conclusion that a lot of these items are put to rest, and then they seem to be reborn through another avenue. It is either transferred to another department or else it is put forth through a supplementary appropriation which undermines the authority or responsibility we have within committee structures that we have created, especially, when you find out there is \$400,000 in a particular riding, yet it was not even discussed in committee. There is such an outcry for airports especially from the eastern communities to assist them in upgrading their airports, yet we find funds being spent on airports which are passed through supplementary and not brought forth to the respected committees.

I feel frustrated at times that we have spent all our time and energy reneging on a lot of things we thought were put to rest and agreed to, especially in the area of the Rankin Inlet tank farm and then in regard to the public hearings that were held on the

issue, in which there were recommendations made and then basically coming forth to this House. Then we find there are things that pop up in supplementary appropriation where it was never discussed within the committees. As the Minister responsible for those portfolios, do you think that is fair, being dealt with in that matter? Why was that?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Antoine.

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HON. JIM ANTOINE:

First of all, Mr. Chairman, if that is the view of the committee, then I apologize for it. That was not the intention to deal with you in that manner. I think that over the course of the last couple of years, some of the items you mentioned are on going different scenarios, especially the Rankin Inlet tank farm situation. There is a process that we went through as a government, as this department and we went before you and I tried to explain the best we could. We had briefings and laid everything down. I thought it was as clear as possible in that area. We knew certain things were still there and had to carry on. The intention was not to deal with you in an unfair manner, and I do not think I have done that. I think I try to be honest and fair and up front as much as possible.

In regard to the authority of this department, this department here, like I said, has taken quite a drastic cut in its overall budget, and there are projects that generally we have every year, and there are some projects that have successfully come in under the original estimated budget, so we have a surplus there. But again, not all projects come exactly right on budget. The nature of this department is that we are dealing with a lot of cases with the environment, weather conditions and so forth. So there are projects, let us say, airports, where there are at times maybe a contractor, maybe their bid may come way below what we anticipate the budget might be so we have a surplus. In some areas there will be areas where there are budget overruns, for example the section of highway between Rae and Providence, the contractor was not successful in completing that section this year so we are going to have to take a look at it, if they have expended all that is in the contract, I am saying that we stick to our contract. However, there are conditions where we may have to find some sort of funding from within the department from another project so that is the nature of this

department. If you go back into the history of this department, this department was able to always do that, to move money around internally and whenever we did that, as soon as I knew we were going to have to do that, I wrote to the MLAs that were concerned about it, and then I notified the Chair of the standing committee concerned, and that is what we have done. We try to keep everybody informed as much as possible. I do not know what more we can do in that area.

Again, getting back to the Rankin Inlet tank farm, I would like to know specifically what the concern is there so that I could specifically try to explain that situation. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Question number three, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question deals with the integrity of the department especially in regard to the whole issue that surfaced a year ago about particular work that was done on the highway especially in regard to your constituency, referring to some \$800,000 that was earmarked for repaving of Highway 1B, which is basically in Mr. Gargan's riding. It was reallocated and ended up having the majority of that money being spent in your riding in which it was used to pave an access road of a subdivision into Fort Simpson. In regard to that issue, that item was not even in the five-year capital plan. I would like to know exactly, is this the practice of this department and this government in regard to the way they operate or have there been safeguards put in place to ensure that this never happens again? I would like to ask the Minister what action has been taken to ensure that this does not happen so that those projects that are earmarked for those particular ridings at the appropriate Members of the Legislature for those particular ridings have the first dibs on exactly what happens, that this does not happen again. So what safeguards have been taken to ensure that does not happen?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, there are safeguards in place on the recommendation of the standing committee and the Ordinary Members, any project that is \$250,000 or more the standing

committee has to be notified. So there are safeguards in place. I think that prior to that when the safeguards were not in place there were certain projects, particularly the one the honourable Member mentioned, came about. The practice of the department is that kind of practice no longer exists and that any time that any project is going to get moved, no matter how small it is, even below \$250,000, the Members that are affected, we notify them as quickly as we can, the Chairman of the standing committee responsible also gets notified. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The final question, Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regards to the whole idea of safeguards and the \$250,000 margin, if anything over and above that was going to be spent is supposed to be taken to committee, I would like to ask the Minister why was there a supplementary appropriation in regard to your Department of Transportation airports for \$400,000 for forward operating locating system for Rankin Inlet? In the supplementary which has just approved which was over \$250,000, why was that not taken forth to the committee?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, if the honourable Member could be more clear on that I would appreciate it. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Although the honourable Member's question was the final I will allow him to repeat the question to be more precise. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. I am talking in regard to Supplementary Appropriation Number 2. It was tabled October 9th. There was an allocation for \$400,000 to your Department Transportation, airports, which was basically over the \$250,000 that you have mentioned where notice has to be given to the particular committees to ensure that we are responsible and

that is page 15 of the supp and it is in regard to the forward operating locator in Rankin Inlet. Why was the committee not forewarned that this was going to be part of the supplementary, if it is over \$250,000?

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Minister.

HON. JIM ANTOINE:

Thank you, Mr. Chairman. Mr. Chairman, this particular item that the honourable Member is mentioning is a work that we are doing on behalf of the federal

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government where we get that reimbursed from the federal government for doing work for them. It is a vote 4/5 arrangement, so it is something that is in the supplementary appropriation. However, we get it back after we do the work for the federal government. It does not take away from any existing budgets or anything. We did not take it from any other projects in the department. It's new money that we get from the federal government after we do the work. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Mr. Chairman, I did not want to let this opportunity pass without making some comment on what I perceive Mr. Antoine's performance to be during the past two years as Minister of the departments that he oversees. I believe that as a new Minister we elected to Cabinet that Mr. Antoine has shown consistency, and he treats his office and his duties with a great deal of respect. I also believe he has excellent communication skills, and I observe in the communities that he works with his departments that come before our committee. I have observed that he has never taken offence at any line of questioning and never responds in a defensive manner. Just in closing I would just like to say that it is a pleasure to work with a Minister of Mr. Antoine's stature and I look forward to working with him in the future. No questions. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mrs. Groenewegen. There is no name on the list at this point so I am now, do we agree that our review of Mr. Antoine, Minister for Transportation is concluded? Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Mr. Chairman, since Mrs. Groenewegen is throwing out bouquets I feel that I might as well jump on the bandwagon. I do not have any questions, I will save the questions for later on, but I also would like to make reference to the dealings that I have had with Mr. Antoine and the way that he approached the questions in the House. When you ask him a question, you get an answer. It is a civilised, reasonable, complete answer, and I think that is something that we would like to see more of. So hat's off to Mr. Antoine.

--Applause

CHAIRMAN (Mr. Ningark):

Thank you. This was a question period so I will then take it that the review of Mr. Antoine is concluded. Thank you. What do we wish? Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. That we continue and I believe Mr. Arlooktoo, the Deputy Premier and Minister of Public Works and Services is our next Minister.

CHAIRMAN (Mr. Ningark):

Yes, I am just about leaving the Chair here if one of my co-chairs will replace me. Thank you, Are you ready Mr. Minister?

HON. GOO ARLOOKTOO:

Yes, I am ready to go.

CHAIRMAN (Mr. Ningark):

The honourable Minister is ready to be grilled. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I would like to use this opportunity of the Mid-Term Review to question the Minister on actually some fairly recent happenings and announcements which may pertain more to the future than the past. Mr. Chairman, with respect to the

proposed RFP in construction of pipelines in the four communities that have been listed, Minister Arlooktoo has downplayed the concerns that adequate consultation has not taken place on this initiative of his department. The Minister has stated that consultation which concerns stakeholders is ongoing and that he is very optimistic that he will be able to address all of their concerns. My question, Mr. Chairman, is that if these consultations are not successful, is the Minister prepared to delay this project until the stakeholders' concerns are satisfied? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Minister Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. The issue of opening up the fuel resupply contract in the Keewatin to competition and to level the playing field so that we no longer are in a monopoly situation with one carrier is an important one that I have taken very seriously. It is one that has been pursued for many years by previous governments and is now finally coming to a close. We started the consultation process when I was a brand new Minister over a year ago. There has been, as far as I am concerned, extensive and adequate consultations. Most of the issues have been resolved. There are some ongoing details of a technical type that are being worked out. But as far as I am concerned, we are as close to an agreement or consensus as I believe we will ever get. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. It is my understanding that there are several outstanding issues that the hydrographic surveys by the Minister's own admission are incomplete, that the community consultations are incomplete, that the questions surrounding dry cargo freight costs are incomplete and that the environmental assessments are incomplete. Having said that, I have to wonder about the timing of an RFP within the next 30 days. I understand that the issue of what the projected rates for dry cargo would be for the Keewatin cannot be finalized at this time. If this initiative goes forward what assurances can the Minister give us that any cost savings realized by the average citizen would not be wiped out by the extra

costs involved in staging the goods out of Montreal?
Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. There are several issues that the Member brought up. First about the consultations on the outstanding issues and the Member did mention some of them, the hydrographic work, the environmental audits and the topographical surveys and community consultations were addressed in a mid-July meeting this past summer, those were issues that were discussed at a meeting of the Keewatin Re-supply Steering Committee, hosted by the Department of Transportation, Public Works and Services where the departments outlined their plans and gave status reports on the hydrographic work, the topographical surveys that were going to be done, and environmental audits that were ongoing and were to be done this past September.

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Therefore, although it may be the Member's opinion that there has not been enough work or consultation to-date, is certainly not my opinion. As far as timing goes, I understand the Member did mention timing, the schedule we are following and that I have outlined in my announcement, some time ago, was a schedule that was recommended or identified by the Keewatin Resupply Committee one year ago. I have a copy of it in my hands, a report that we issued on October 2, 1996, which clearly outlined the schedule, that if we were to go on the direct delivery option, the target date was 1999; also clearly talked about but before then hydrographic surveys had to be done in 1997, which they were; that the construction of community resupply lines were to be done in 1998, which we are planning to do.; and that we retender the supply contracts in 1998, which is the intention.

In terms of schedule I believe, we are following what was recommended very closely to the letter. In terms of the dry cargo rates for the Keewatin communities, the best estimates we can get right now are the most accurate, as far as we are concerned, which tell us that the cost of dry cargo to the Keewatin communities would be 20 percent less than they are presently.

The issue as I understand, from the Hamlet of Arviat, especially, and some of the Members in the business community, is that with dry cargo being delivered through freighter from an eastern port, whether it be Montreal or elsewhere, that the frequency of deliveries would be much less. At this point in time there are two to three deliveries to the communities each summer. With the freighter system it would be one, at best, two deliveries per year.

CHAIRMAN (Mr. Ningark):

Question, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. Sometimes the cost savings initiative decisions that are made, if they are made in isolation, the ripple effect in the bigger scheme of things does not turn out to be a savings at all. I believe the projected savings of approximately \$3 million a year could very quickly evaporate if some of the bigger picture issues are not addressed.

Mr. Chairman, presently this government and most of the communities in the Keewatin use the rail head and barging facilities in Churchill to stage goods that they buy in Winnipeg. Has this government taken into account the impact if NTCL suffers a drop in revenue and market derived in the Keewatin operation to the extent that they would be forced to withdraw their services to this region? Thank you Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mrs. Groenewegen. The Honourable Mr. Arlooktoo

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I think it is important to clarify that what we are proposing to do, is open up the business of resupplying the Keewatin communities for its fuel and cargo so that it becomes a competitive field. Right now, it is not a competitive field. NTCL, which I am proud to say, has done well and is owned in large part by the aboriginal corporation which I happen to be a member of, has done very well in the Keewatin for many years. It is important to point out, that is due partly to the fact that in 1985, after the company was transferred from being a federal Crown corporation to its present owners, the Government of the Northwest Territories Cabinet granted it a carrier of choice designation for 8 years. Which is to say that the NTCL system in the Keewatin would be the one used by the government

and therefore, gave it the monopoly situation that it has now. The agreement in 1985, was that the situation would end in 1993.

That was the estimation of how long it would take for it to become a viable company, and that is what it has become, very clearly. NTCL has come up with the best proposal for a very large three-year contract to resupply the eastern arctic, one that I just signed with them this past year, which is worth \$90 million. So, it is clearly become very competitive. That is what we are doing. In a sense we are saying NTCL, is now a mature, able company that can go out and become competitive and win contracts. As I said the other day, they are in a very good position to be successful in winning a profitable contract, out of this, once it goes out.

The issue of how that would affect Churchill, as I understand it, the dry cargo and fuel that goes through the rail line through Churchill is five percent of what goes through that port. There is an awful lot of cargo that goes through the line and the port because all of the grain that comes from the Prairie Provinces, or a lot of it, goes through that port and taken out by tanker to other ports to the rest of the world.

CHAIRMAN (Mr. Ningark):

Thank you. Final question, Mrs. Groenewegen.

MRS. GROENEWEGEN:

Thank you, Mr. Chairman. I hear what the Minister is saying, that he wants to open this market place up to competition., but in reality, Mr. Chairman, is that I do not know of too many aboriginally northern owned tug and barge shipment companies in the area. It is a very specialized service and it is a service with a tremendous overhead and degree of infrastructure. I would like to know, has the Minister and his department projected contingency plans, should the services of NTCL no longer be financially viable in this region? Is there another company waiting in the wings to compete with NTCL on tug and barge, specialized tailored service that they provide to this region? If there is, I have certainly never heard of them. But I would be interested in hearing the Minister's response. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. If I could just refer again to Mr. O'Brien's report from a year ago, which talks about what would happen if we went to direct resupply which is what we, as the government, are doing.

I note in the summary of the findings, the fourth point. The tug and barge system, while more expensive, offers the highest level of service in terms of the number of deliveries. However, we go to another point, because it is more expensive, and if we went to the direct resupply route which we are doing, it points out it will not be economically feasible to operate both a tug and barge delivery system and a freighter tanker system.

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What our concept here or plan envisions is that the tug and barge system, unless the value of the proposal came lower than what I am not sure a company would do, would be probably a thing of the past.

As for northern companies in the field, the Member is right. There are not many. There are interested parties, I understand, that are interested in the transportation field. I, as Minister, encourage that. It is a healthy thing to have competition where it is viable. The north has gone through so many changes recently and advancements that there are right now, many different partnerships and where especially, aboriginal birthright companies using monies from land claims, have been able to partner up with firms that are already set up.

For instance, NTCL for instance. There are others. The Baffin Regional Inuit Association, it used to be called. KYA now, the business arm of that company owns several trawlers that fish offshore for turbot and shrimp. They do very well internationally. So, it is possible to create these partnerships and for these companies to form.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Picco. Mr. Picco has indicated he will let Mr. O'Brien go first. Thank you, Mr. Picco. Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. Thank you, Mr. Picco for being so kind and understanding. Mr. Chairman, before I get started, I would also like to say that for the majority of my dealings with the Minister have

been fair and reasonable. We hit a few slippery spots over the last few weeks. These are political issues not personal, and we will address them in that matter. Mr. Chairman, my first question is in relation to this particular issue and to followup on some questions that Mrs. Groenewegen asked. The Minister refers to a report and the date that he indicated was some time in October. I would like to know exactly which report the Minister is referring to because to me, there is one official report that was presented to this House and approved by this Assembly. Which report is the Minister referring to in reference to the comments that he has made?

CHAIRPERSON (Mrs. Groenewegen):

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

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. It is called the Keewatin Resupply Committee Options, October 2, 1996, which details the introduction of the issues, the initial findings and some of the options, which include descriptions of what would happen with the status quo, with the different hubs and direct delivery. That is the one I was referring to.

CHAIRPERSON (Mrs. Groenewegen):

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

MR. O'BRIEN:

Madam Chair, this is an issue I tried to address before with the Minister, and it is in relation to what we present here and the facts and the information and the documents should be relevant and tied into what we are doing here. This options document is exactly that. It is not the official report that was compiled by the steering committee, the Keewatin committee that was approved and accepted by this Assembly. What the Minister is referring to is a document that compiled some options that we put together to help the Members of the committee to arrive at a decision. I do not think it is realistic to be referring to that document. The document the Minister should be referring to is the document that was approved and accepted in this House and which was dealt with by Cabinet. There are many options that are included in that document. It is just like a laundry list. The final analysis and the final report stated that the status quo would remain until 1999. That we would work toward a direct resupply, keeping in mind the status quo is staying in place until 1999. That would mean the spirit

of that agreement or that decision was that the new government of Nunavut would have the opportunity to devise and decide on what they wanted. That was the first point that was made in the conclusions, that it would stay status quo. There is a point there where it indicates that in 1998, the contract would end with Esso and Associates regarding the tank farm in Churchill. It was also indicated that we would look at possibly extending that to get to 1999.

Madam Chair, the other points that were mentioned, conclusions that were brought forward, was that the hydrographic mapping would continue as it was important and valuable to the communities if the decision was made by the new government to move forward on this recommendation. We stated very clearly in the report, we could move toward direct supply. Hydrographic mapping was to take place, the consultation cost benefit analysis and more importantly, that full consultation take place with the communities. The Minister admitted there has been consultation. It is obvious it is not satisfactory because we would not have the Keewatin Chamber of Commerce along with the mayors of Arviat, Baker Lake and other communities saying well wait now guys, just hang on a second here. We would like to study this more.

Again, the understanding was, and I believe it was made very clear in a statement that was put out by the Chamber of Commerce that it was status quo until 1999. My question to the Minister, Madam Chair, is if the report that was accepted by Cabinet and by this House accepted a report and the recommendation, the status quo remain until 1999, why at this point are we moving forward on a project prematurely? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

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

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I guess in reality the status quo will remain until 1999. NTCL will deliver fuel and cargo with a tug and barge until the summer of 1999. That is what we are doing. We are, as the committee recommended, working towards direct resupply. I think it is important to get a more global view of why we are doing this. I often listen to the Member talking about the high birth rates, the very large number of young people in his constituency, the housing problems, job problems, et cetera, and that the government, in general, does not spend enough

money there. I think most of the constituencies would share that. It is an issue that we need to work on.

When the CN rail line, and I think it was the Government of Manitoba said that they were going to be shutting down Churchill, were giving signals, that was a time when we, the government, decided to look seriously at different options. That was a time when we started pulling in all this information. There were different options considered and at one point we were looking at a hub in Rankin Inlet. After consultation with communities and with the Member and other MLAs, I

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personally put a stop to that and assisted Mr. Antoine at the time to set up the steering committee so we could look further at what we could do here.

As the information came in it became very clear that with direct resupply the government and the people of the Keewatin could save conservatively an astounding \$65 million to \$100 million over the next 20 years on the transportation costs alone of fuel. That means more money for the government to spend in other places. There will be less dollars for the hunter to buy gasoline for his snowmobile, less money that a home owner has to pay for fuel, et cetera. The list goes on. As a responsible Minister and as I said the other day, as someone that has great interest in making sure that we do things now to make sure that the future government of Nunavut is as financially secure as possible, this is something that you grab onto as soon as you hear it, \$65 million to \$100 million savings. I think it would be irresponsible for us not to go ahead with this.

That is why, despite the fact that I have great sympathy for the NTCL company, many of the people that run that company are my friends and associates and people I have known for a long time. So are the people of Arviat. I have been to that community several times. The mayor there is somebody I have known for many years. It is not my wish to do them harm or do things they do not like. At the same time, I have a responsibility, I believe, in making sure the present government does things to achieve the savings in the future for the people of Nunavut.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Mr. O'Brien, third question.

MR. O'BRIEN:

Thank you, Madam Chair. My questions and concerns are taken from the constituents that I represent. This is not a personal agenda with me. It is an issue that concerns the people in Keewatin, and more importantly concerns the riding that I represent. The Minister indicated the numbers, we go either from one day it is \$60 million, then it is \$100 million savings. Those are big numbers, and you are right, it could do a lot for my community, for all the communities in the Keewatin. For example, it could build us a brand new health centre that we are having difficulties in getting.

Madam Chair, to this date I do not think we have been assured these numbers are there. I know the Minister is providing this information and it is as a result of staff research and so on and so forth, but there does not seem to be a firm handle on the numbers. It fluctuates from answer to answer. When you get up to those kinds of numbers, there is not much difference when you go up another \$10 million or \$20 million. There is a difference, and I do not think at this point we have seen the documents that show these kind of savings. I am not for one minute saying there is not savings. I am sure there are. I recall the issue and the Minister brings up a good point and he was very instrumental in helping my communities and myself along with Minister Antoine to spend a year in dealing with the last project of this nature, which was the Rankin Inlet tank farm, where everybody in the Keewatin was going to be saved. The deal was that we would save all this money on our fuel and then find out that was not the case at all. It was a disaster.

We questioned the numbers and the Minister and his staff helped us get through this process. We are just asking the same thing. We would like to look at it and to make sure. I am sure that the numbers that the Minister is providing are numbers that are provided to him, and that there has been some research on it, but they do not seem to be very solid. I think the issue here is we do not want another tank farm fiasco. We want to make sure that what we have here is real and that it is going to benefit everybody. In order to do that, we are only asking that we take a little more time to make sure we have all the documentation, all the numbers, all the research, and I think if we had that, we would not have the Keewatin Chamber of Commerce and the various mayors in the communities and other people concerned about this issue. It is starting to have a *deja vu* of what we had regarding the tank farm.

My question to the Minister is, what is the great logic behind allowing more time on this. You talk about 20 years. We are in this government, we have another

16 months left before division, so we are talking a savings, if the numbers are accurate, of a few million dollars. I think the piece of mind that the communities are looking for, I think they are worth that. We are only talking about a year and a half. We are not talking 20 years as far as this government is concerned. Once again, I would ask the Minister why is it so urgent to move on this now, in 30 days? Cannot it wait until the spring? Until we have sufficient information and documentation as to the savings? Until we make sure that we have the details of the hydrographic mapping.

The Minister indicated that some of the communities are not completed yet, but on the same token we are putting forth in the next 30 days, I believe it is in the paper now, a call for an RFP for this project. I do not know how you can put this project forward and the request for proposal on it, without being able to provide the people that are going to bid on it or review it, the details of the hydrographic mapping, which is the key to the whole process here. How are they getting their points of reference on how they are going to carry on with this project. Is it going to be from the mapping guidelines that they had from 50 years ago? The Minister indicated that there was some preliminary drawings had come in this week. What does preliminary mean? Have they been analyzed? I think all these questions have to be answered. Once again, I ask the Minister, what is the rush? To say that we have all these details and complicated issues to get dealt with before division, and we are going to be too busy to do it them, I do not think it holds much water. This is what is complicating division when we take on these new projects when we are trying to work toward the basic elements of division. I ask the Minister again, would he consider looking at this in a way that would provide more time? If that question cannot be answered, if he would try to explain why it is so urgent that this project take place now, in 30 days. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. O'Brien. That is about eight questions. Thank you, Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I do not know how else to explain that. I do not think that if the Member does not understand what I am saying now, then he will never get it. I have tried to explain in question period the other day and tonight in the Minister's statement that we are very

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confident of the cost savings, very significant cost savings. Maybe I could just summarize once again.

During the time that we were examining the whole Keewatin resupply program, and this was as a result of the threat of the port of Churchill closing and the rail line shutting down, we found out that it presently costs the shipping company 20 cents to ship a litre of fuel into the Keewatin, on average. At the time they were asked for a quote on how much it would cost them if they went through direct resupply, and that is from an eastern port directly to the communities. Right now it costs 23 cents, at the time they told us if they did direct resupply it would cost 5.6 cents a litre. If you multiply that by the 30 million litres a year that are used in the Keewatin, it does not take a lot of math to figure out these are more than significant savings that we cannot afford to ignore. That is exactly what I have done. I am not ignoring them. As I said the issues have been brought up as concerns in the communities I will be dealing with.

I am going to a meeting in six days in Arviat, with the hamlet, hosted by the deputy mayor, Mr. King I believe, to discuss their two main issues. One is the environmental aspect which is the location of the pipeline, and that I am very confident that we can fix. We can deal with that. The other issue they have is the lack of frequency of deliveries when we go to the freighter system. This is probably a bit more difficult to answer. It is a system used by the rest of the eastern Arctic at present, by the rest of Baffin Island and the northern parts of the Keewatin, and I think the way that we can try to work around that, is to make sure that people are well aware of deadlines, they have easy procedures to use when they are making arrangements for shipping, et cetera. I guess in a sense it amazes me to hear the Member spends so much time talking about the lack of spending or capital in his region in effect, rejecting \$7 million worth of capital work that we are proposing to do this through the pipeline. I do not get it. I do not understand that, but that is the best I can explain.

In terms of how are we going to inform potential proponents, we have advertised in the Kivalliq News newspaper recently and we will be holding a pre-proposal conference on November 4, 1997, there we will be discussing the projects with those parties who may be interested in the project and would like to seek advice on technical matters and explore how the project may impact on future fuel supply and delivery

contracts in that region. That is how we are dealing with that.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Final question, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Madam Chair. I am sure I am not going to take the bait on the Minister's comment in reference that he does not understand why I do not get it. Madam Chair, there are 3,000 people in my riding that do not get it and another 3 or 4,000 in the Keewatin. Madam Chair, I understand what the Minister is saying. I understand what he is telling me, but what I am saying is that I do not agree with a lot of it. What the people are asking for, and I do not understand, we talked about community empowerment in this House, my viewpoint on that term just keeps getting lower and lower. People are asking to be consulted, and it is more just my home community of Arviat; and I can assure you Mr. Minister, that if there are only two minor problems you see after talking to the mayor of Arviat, it certainly does not coincide with the number of phone calls and the concerns that I have received in the last few days. I hope you are right. It would make my job a lot easier.

Madam Chair, I think for the most part for us to carry on with this line of questioning is like beating a dead horse. I think for the most part, what we have asked for is, for the Minister to consider a delay and in general, what we are talking about here, and we are getting off track, but this is a review of the Ministers and where we are going and where we came from and so on and so forth. It just feeds into my concerns that I raised in the House when I made my opening comments, about what I consider the lack of consultation and in some cases, sensitivity and compassion. The residents are not asking for the moon. They are asking to be consulted, a very basic democratic process. There are a lot of mixed messages here. We do not have firm cost savings laid out to us. We have approximates and so on, and as I have indicated, I am sure there are savings, but at what cost? For the amount of time it would take to satisfy the constituents and the various groups that are concerned about this, I do not think it is much to ask.

There is one final comment I would like to make, and it is in reference to, the Minister indicated that there were consultations and conversations regarding where NTCL stood on this and that they would have

an option and that there were meetings and so on and so forth and they would be in the best position, or may have the edge in acquiring this or being successful in their bid on this work. By the same token I read today in a press release that NTCL, the president is stating that they are concerned because they have offered to present a package to the government to show what they can do, to offer their services at a reduced cost or whatever the details are and they have been told that their offer has been refused. So, maybe the Minister can explain that? I know he has indicated in the House that there have been conversations and these guys are onside, and they have a great opportunity here, but on the other hand NTCL state today that they are being refused the opportunity to offer their services. That Madam Chair, I conclude my comments and if the Minister wishes to answer that that is fine. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Would the Minister like to respond to those comments?

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I just wanted to say again that I understand that the Member believes that we did not consult enough or take enough time to do it. I have been working on this issue for almost two years, right from day one this was a file on my desk. We have given over one year for detailed consultations, and it will never be enough, I think we could consult forever and we will never get consensus. We will never make everybody happy, but what we can do, what I am going to do is to meet with the people personally who are concerned and try to deal with them. I will go to their communities, I will talk to them face to face, and I will try to deal with their concerns. Then again, I know that I cannot make everybody happy, but at some point in time we have to make a decision. We can consult forever but I think we talked again in the beginning about making difficult choices, difficult decisions and we have done that in terms of what we had to do with the budget, with layoffs and so on and I see that as an extension of carrying out our responsibility. The NTCL press release, I do not have a lot to offer as

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comment on that other than, as far as I am concerned, there was no proposal to reduce costs, et cetera.

I think what happened more or less, is after we had made the decision to open the field, make it possible for competition to come in, or for them to put together a competitive proposal which they do not now, although the service may be good now, it is not a competitive process. It is in essence, sole sourced or negotiated contract that we have with them that was supposed to end in 1993. We made the decision to end four years later than we said we would. We made that decision some months ago, and then it was after the fact that the company came forward and said we would like you to reconsider keeping the carrier of choice and this is a way we could reduce costs. It is after the fact. It is after we said we would level the playing field. You have company good intentions, good people and so forth, but after the fact coming over and saying, let us try to make up let us try to keep it the way it is. It was too late, the decision had been made.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. I am going to move on with the other names on the list, but just before I do I just want to let the committee know that that last exchange of four questions and four answers took approximately 20 minutes. I have eight people on the list to date who want to question or make comments to Mr. Arlooktoo. So at that rate, you know, you can all pretty well consider you are going to spend the night. So all I am trying to do is to encourage you to see if we can just keep things moving along a little bit more quickly. Thank you. Next on the list I have Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. On a review of the Minister for Department of Public Works and the Housing Corporation, and the Deputy Premier of the government some of the initiatives brought forward by the Minister included the Project 2000, the user pay/user say initiative and also he is doing a review on the privatization of the POL. I would like to follow up on some of these areas. There have been some criticisms on the Project 2000, I wonder if the Minister could update us on the status of the Project 2000? Has it accomplished what he wanted it to accomplish? Is it going to be continued next year? In my riding I guess the demand out stripped the number of or allocation of funds available under Project 2000.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Yes, Madam Chairperson. The project in my opinion is very successful. I believe the number now is 600 extra households that have been assisted to-date with this ambitious plan and that we are on track and we are continually trying to improve and work out the wrinkles on the project. So yes, it has been successful and we are going to carry it through to the end.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo, Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. Following along on the Minister's portfolio under the Housing Corporation. Recently there was a transfer from the Canada Mortgage and Housing Corporation turning over the management, operation and maintenance, property management and ownership of different Canadian Mortgage and Housing Corporation units and mortgages held by that corporation. Included in those in my community would be the Co-op housing and the Aakuluk daycare building. I wonder if the Minister could let us know how the negotiations have gone to date. Has it been completed? Have the corporation taken over many units across the territories? What is the status on that transfer? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. The Housing Corporation signed a 40-year agreement with CMHC to take over the social housing portfolio this past year. I think the signing of that has given us a bit more flexibility. However, the Canada Mortgage and Housing Corporation has retained some of the responsibilities including the holding of the long term mortgages which includes the daycare centre that the Member speaks of. I have made enquiries. I have written a letter on the Member's behalf to the CMHC asking about the status of that, but I do not have it in front of me right now.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo, third question, Mr. Picco.

MR. PICCO:

Thank you. I will just move off the Housing Corporation. I would like to say I supported the Project 2000. I think it is a good initiative. I think the transfer of the social housing agreement that has been made by the Minister on his initiative should be congratulated. I would like to move on now under Department of Public Works and Services. One of the initiatives that has been initiated by the Deputy Premier, the Minister for Department of Public Works, has been the user pay/user say initiative. Some of the information that I have available to me on that says that in most cases it has been very successful, but there has been some mixed results with the amounts being transferred to some departments not being enough based on the amount that each department paid out. I wonder if the Minister could update us on that initiative under his portfolio. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. Under the user pay/user say initiative, as Members will recall this is one area where the Department of Public Works had the responsibility for paying for leases, power bills, light bills for all government facilities whether they be for education, for health et cetera. As part of our user say/user pay initiative which basically the concept is that we give the managers the ability to manage by giving them the resources, we have handed over \$23 million to departments for them to buy these services on their own mostly from the private sector.

The Department of Public Works and Services has I think done an amazing job in the few months that it took them to put this very difficult and time consuming project together. In my opinion, there has been some wrinkles, but generally the department has done a superb job.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Last question Mr. Picco.

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MR. PICCO:

I would move on now to the issue of POL. The Minister undertook a contract to study the privatization of POL. That report has not come forward. There are a couple of issues regarding the privatization of the POL that I am not sure of. I would like those clarified.

The situation in the Keewatin with the resupply has been mentioned in this House two different times over every session that we have sat on over the last two years. I have a question concerning that. I wonder the numbers, the monies of the savings on this resupply that the Minister mentioned, I think it is \$30 million or \$60 million. Are those scrutinized numbers? Who crunched those numbers? Was that an outside agency that actually evaluated those numbers. Do we have some type of substantiation on the figures? If the Minister could confirm indeed that this resupply using the pipeline instead of the barge, is that a separate issue from the Rankin Inlet tank farm that was deferred before because of decisions made in this House? Are both linked? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco, Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Madam Chair, I think the only linkage is the fact that they deal with fuel and the supply of fuel for the Keewatin region, the Keewatin resupply and the pipeline project that we have been talking about came as a result of investigations of the government into options. The reason that we started that investigation is because there was a very real threat or danger of the Port of Churchill tank farm not being available and CN Rail had actually made an announcement that they would be closing the rail line. As it turned out, it did not happen. The rail line was bought by another company.

The pipelines, et cetera are the product of that, rather than privatization. As for the numbers, the estimates that the Department of Public Works and Services used are in these types are what are called Class D estimates. Those are the best estimates that we can get using the best independent technical people in those fields. I asked the department about how confident are we of these numbers. Although it is difficult to say exactly, Class D estimates for public works and services have something like 98 percent accuracy rate.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. On my list now, I have Mr. Ootes, Mr. Steen, Mr. Roland, Mr. Henry, Mr. Rabesca, Mr. Krutko and Mr. Ningark. Just in case you want to know where you are in the order of things. Mr. Ootes please.

MR. OOTES:

Thank you, Madam Chair. The Members of the Resource Management Committee dealt with the issue of the Keewatin resupply issue at some length during its two years of reviews. There was a tremendous amount of discussion about consultation with the communities on the proposed pipelines that are to be put in. Additionally there was a lot of concern about the hydrographic surveys being completed so that we would know where the pipelines would be done. Both consultation with the local people and where the hydrographic survey would indicate what would be appropriate anchorage and so forth. I am surprised and I was really taken aback by the announcement that the pipelines were going to go ahead because we had some assurances, I thought from the individuals and the Ministers that appeared before us that there would be extensive consultations. This was only several weeks ago, Madam Chair.

Now, I am surprised this has come forward so fast that we are proceeding with pipelines and a request for proposal to be put out this soon. It really surprises me as a Member of this committee, because I was not aware of that. I am wondering if the Minister could tell me when the decision was made to go ahead with the construction of the pipelines for the communities.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I think it is important to clarify again that the hydrographic surveys are not for the pipelines, but rather these are surveys done mostly by the Coast Guard using sounding and sonar machines in their vessels to see how deep these passages are. Although they are more expensive than the surveying that you see here along the highway, I think you could make that comparison that it is part of the ongoing responsibility of the government to make sure that they are safe and that we have accurate information about them. I did say that the last one was done about 50 years ago. So that is important to remember.

On the consultation side, there were indeed several meetings of the Keewatin Resupply Committee in the Keewatin. There was one cancelled due to poor weather. There were also individual meetings in the communities with the Department of Public Works and Services and the Department of Transportation

staff. It has been, I cannot really tell you how long the Department of Public Works and Services has had the proposal to go ahead with the pipeline, but it became very clear to me some time ago that this was the thing to do and this was what we had to do. The announcement I made was made shortly after I had been able to convince Cabinet and got direction from them. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. The commitment as my understanding was from our committee meetings and I think the concerns were expressed in the report that the committee did, was that consultation would take place, detailed consultation and appropriate consultation would take place with the stakeholders, the people who would be affected, in other words, the hunters, the trappers, so that there would not be a transgression of their hunting and fishing grounds and so forth.

Now that was three weeks ago. I know for a fact that no consultation at least that is what we were informed, that none had taken place yet. So I would like the Minister to explain to me how, over the last three weeks, detailed consultations with most of the stakeholders and the individuals who would be concerned with this, that might be affected by the building of such a facility, how that consultation has taken place in that short a period of time. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Arlooktoo.

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HON. GOO ARLOOKTOO:

Madam Chair, I am not sure exactly what meetings the Member is referring to. It was not me. Perhaps it was some staff or maybe perhaps another Minister. On the issue of hunting grounds, et cetera, and the environmental aspect of that, I think it is important to visualize, try to visualize exactly what it is that we are trying to build here. That is pipelines from tank farms that are on the edges of these communities that already have pipelines going down to the shore. Right now, the present pipelines go down to the beach where the barge lands. That is not suitable or is not safe for off-loading by tanker. In four of the

communities we have to build an additional pipeline from the same tanks down to the same shore, but a slightly different location that is safer to be used for off-loading by tanker. Since these tanks are generally on the edge of town, in general, there is no hunting right on the edge of town or around the fuel tanks anyway. The concern that I had heard about, one, that Mr. O'Brien mentioned the other day the Department of Public Works and Services were planning to put one across an important char river, I assured the House the other day that was not the case. That is not what we were planning to do. That is something that I would never allow the department to do. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Third question, Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I would just like to have the Minister address another question that I have in a different area. I spoke earlier with other Ministers about the substantial cutbacks in capital funding of this government and that as a result it has contributed a great deal to our unemployment situation. The government is looking at the possibility of developing alternate sources of funding through joint venture projects and private enterprise with government combined. I wonder if the Minister would commit to providing to the Standing Committee on Infrastructure, a list of potential projects that the department would be considering, either that they would be responsible for themselves or on behalf of one of the other departments of potential joint venture projects that such a list be provided before Cabinet approval or FMB approval? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I cannot at this time recall any projects that we had planned other than this particular one that we have been talking about that would fall under this category. But I am aware of Mr. Todd's initiative to start looking at the public/private partnerships, and I have spent some time talking to the expert in the field, where I was briefed about other governments or jurisdictions, projects, that have been financed this way, bridges, schools, highways, et cetera. I think I agree with the Finance Minister that it

is very much the way to go and may be in many cases the only way to go if we want to do the things that we say should be done. Certainly, I would be more than willing to share as much information as I can in this matter.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Final question, Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I think we all know and applaud the government for pursuing alternate potential of money to develop infrastructure in the north. I am concerned with the process by which that is brought about. I think what I want to seek is some reassurance from the Minister and perhaps an assurance that he will ensure that the Standing Committee on Infrastructure, in his case, is informed of any such potential joint venture projects that might be contemplated by his department or on behalf of his department and another department. The purpose of that is because the Department of Infrastructure is responsible for reviewing all business plans, and it only makes sense to me, Madam Chair, that this be brought about. After all, we are here to review the business plans and all the capital expenditures of this government. Therefore, I am sure that we can be a guiding process in this and a contributing factor to this whole success of something of this nature. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I am glad to hear the Member saying that he sees this as an important initiative and that we should pursue. I am, as I said, more than willing to share the information that we can as much as possible, and I understand that the process of the relationship between the departments and the committees and whether it is public works, infrastructure, another department or committee, that the process is covered under the Financial Administration Act. That will be discussed tomorrow and I think it will be interesting and important to make sure there is a good communication there. I am assured there is. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. On the list next I have Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, along with everybody else it seems I was surprised to hear that the eastern Arctic fuel resupply project has resurfaced again. This time in the form of a Keewatin pipeline. Madam Chair, I am a member of that committee, or I was a member of committee if it still exists. I do have a memory as to what went on in those particular meetings. What stands out in my mind in regard to the finalization of the discussions on this eastern Arctic fuel resupply including the pipelines. It seems to me the meeting was held upstairs in Caucus room with all mayors or concerned parties from the Keewatin. The final result of that meeting was a motion that there would be no construction or funds spent towards the eastern Arctic fuel resupply. I distinctly recall Mr. Todd at that particular meeting saying that the project is dead. I recall him being quite upset that we did not understand what the word dead means. I understood it as dead. It referred to the discussions at that point and particularly involved discussions on the fuel storage facilities, including pipelines, the construction of pipelines from the shore to this new storage facilities. It involved also cargo storage areas. We were told there was no money for the project, therefore, it was dead. I recall Mr. John Hickey asking, why are we talking about this thing if there is no money for it? I recall that quite plainly, he was quite upset about it. We left that meeting with the understanding that this project was dead. There were no more discussions on it.

There was one aspect of the project that we could not avoid, and that was the hydrographic surveys because the federal government had committed x-number of dollars towards the project. Hydrographic surveys only. As a result, we had to

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meet those dollars in order to make use of the federal dollars. Therefore, that aspect of the project was assumed to go ahead. The hydrographic surveys would go ahead.

I was quite surprised to find out this summer that somebody called a meeting of this committee in Rankin Inlet to discuss the project further. But I did go to the meeting. There were no Ministers there. Mr. Todd was in the audience as one of the public members. The deputy minister explained this project

as to what is going to be happening up to that time. It involved strictly hydrographic surveys. There was no discussions about pipelines to the beach at that point. I left the meeting with the understanding that the hydrographic survey project would go ahead, and they were proceeding as planned.

I was quite surprised, Madam Chair, to find out at our meeting of the Infrastructure Committee this fall, a month ago, two weeks ago, that DPW proposed to us that they are going ahead with the plan to construct pipelines in the four Keewatin communities, as part of the project of eastern Arctic resupply.

Madam Chair, there was very little discussion at the committee level because we were quite surprised that DPW was dealing with this thing now and no more Transportation. Transportation had it up to then. Why it moved from Transportation to DPW, I do not know. But I assumed that somewhere along the line DPW decided it was part of their responsibility.

Madam Chair, what this all boils down to, to me, is not a question of whether NTCL is going to lose a contract or not, that is not my concern. It is not a question of whether we are going to save \$65 or \$100 million for the Nunavut government. That is not my concern. I represent the west, and the west is going to be separated from the east in 18 months. The Minister has stated that this project would not be complete until the summer of 1999, after Nunavut. He has also said that this project is going to cost somebody \$7 million, according to Hansard. I am beginning to wonder who that somebody is because I did ask in the House whether or not the Minister had the approval of the Interim Commissioner because I assumed that he would be responsible to take over the costs after 1999. His response was I do not have that information in front of me of what consultation has taken place with the Interim Commissioner, but this is certainly one of the issues. Then, certainly, we will be communicating with the Interim Commissioner. I plan to seek his support. In other words, the Interim Commissioner does not seem to be aware of this. That is what bothers me, Madam Chair.

I do not feel that this government should be putting themselves into a position where we will be constructing infrastructure in Nunavut that the Interim Commissioner will not take responsibility for after 1999. When I put the question to the Premier, the Premier said they were in the process of signing a protocol with the Interim Commissioner which would basically state that he agrees to be responsible for any payments that this government would subject him

to after 1999. What is not clear to me is, does this mean any contract before he came Interim Commissioner, or after he became Interim Commissioner? Because I believe this is important because I believe there is Legislation in place that says he must approve anything that is put in place after he is appointed. That is what worries me, Madam Chair.

Madam Chair, I do not know how the Minister is going to respond to all this, but right now, maybe it is because of the hour, I am prepared to support a motion in the House to kill, once and for all, the eastern Arctic fuel resupply, including pipelines until after Nunavut. Let Nunavut worry about it. I am talking about a motion in the House. I am not talking about a motion here. I do not know what is required, Madam Chair, in order for the Minister to realize that there are certain things that require the support of the Assembly. What has been happening here tonight, Madam Chair, is evidence to me and to the rest of the Members I hope, of what has been going on with the Infrastructure Committee. When the department puts something to us like privatization of POL, it does not matter how hard we talk to them, how hard we try to make them understand that the ideas are not good. They are not supported. It is just not thought out right. We still end up talking about the thing month after month. I do not know what is required of the department in order to make them understand that some things we do not support. Even if it requires a motion in the House of no confidence for the Minister, I am prepared to do that too if he will not listen to what the other Members tell him. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Arlooktoo, would you like to respond?

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I think this is a case of some forgetfulness or some selective memory. I think it is very important to point out that the original proposal up until last spring, last summer was for a fuel and cargo hub in Rankin Inlet. This was a proposal for some major expenditures for a tank farm for some warehousing where the idea was to ship fuel and the cargo for the region to Rankin Inlet and from that point on distribute it to the rest of the Keewatin. The idea there was that the work, the jobs and all the benefits of supplying the rest of the region should be in that region. After studying that proposal, it was found that it was too expensive, that the government

did not have the money to invest at the time for this and it did not make very good economical sense in the long run if you compare it to the other options, including direct resupply. That was the project that died. I think that was what the MLA from Rankin Inlet had referred to when he said that the project was dead, because that was the project that had died.

In the meantime the government had to continue to look for better ways of delivering fuel to the Keewatin region because it has been an issue for many years and will remain an issue being clear that we can have savings. We continued trying to find the best way. I am glad the Member was at the meeting in mid-July where, as he confirmed, that we did inform the committee members of the hydrographic that was under way. The Department of Public Works and Services also informed Members of topographical surveys and environmental audits that were to be done in the communities. The committee also had agreed in the July meeting that the next major meeting would be in January/February, where there would be an update of what was going on.

Madam Chair, I know you want the answer to be short and I wanted to point out, as the Member had indicated, about Public Works and Services taking this project away from the Department of Transportation. That is not the case. It is a shared project. The hydrographic survey responsibility of ensuring that there is a good, safe travel corridor for travel by

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ships in the region is still a Department of Transportation responsibility and it is a shared thing. As for the \$7 million, there is no extra expenditure for the capital projects. The cost of building the pipelines will be totally paid for through the cost of fuel to the region. Because of the savings, unless there is a huge rise in the price of oil, the region should not feel an increase to the cost of fuel, even though the cost of pipelines are built in. In fact, we estimate that after five years they will see a significant decline. This has little or no negative impact as far as I am concerned to the western region. Therefore, to me it is not much of an issue. There are projects here in the west that are being started this coming spring and will not be completed until after division. There is some road work, schools and major infrastructure that is being built that are in a similar vein. That is about it. If the Member wants to put a motion of non-confidence, that is up to him.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, in a way there is a way that this project could have went ahead with no big long discussions as far as I am concerned anyway and that would have been simply to get the consent of the Interim Commissioner that he will commit to payments after 1999. It would have been simple. What the Minister said is that he believes the Nunavut government would have too much on its plate to deal with this issue. It would not be important enough to them, the saving of \$65 to \$100 million would be not important enough to the Nunavut government that they would not deal with it. I find that hard to believe. If it is a sound deal, I cannot see the Interim Commissioner turning this deal down. What boggles me is why he is not involved at this point. We have already seen in the paper request for proposals. That is what bothers me is that somebody better confirm to me that we are not paying for this. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Very briefly, the Government of the Northwest Territories is working on a protocol with the Interim Commissioner to ensure that the contracts that go beyond 1999 and contracts that effect the Government of Nunavut are well known by the Interim Commissioner and that appropriate agreements are signed, et cetera. I forget what the second question was, but I had an answer for it.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. I cannot remember either. Any further questions, Mr. Steen. Thank you. Next on the list I have Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. It almost sounds like the saga of Rocky. One, two, three, four and five. I have been listening interestingly as some of the questions have been asked and some of the responses from the Minister. He had mentioned the cost of fuel and that there would be a savings. I find it difficult in this day and age to see an actual government reducing prices

when it is part of their revenue source. My question to the Minister would be on the capital planning process. Since, as the Minister has said, this is a new project as a Keewatin Resupply project, as the Minister said, was the one that died. That is I believe what he said. Seeing that this is a new project that is just up and coming and in questioning the Finance Minister Mr. Todd, earlier today, on the capital planning process, how does this project fit into that? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. First on the savings. The reason why we are very confident that they will be actual savings is because the scope of the savings that we expect and the fact that the savings are on the transportation of the cost of delivering fuel. It would be like cheaper cargo rates on an airplane. It is similar. As far as the funding goes, in the RFP which incidentally, I was going to mention to Mr. Steen, has not gone out yet, we have an ad in the paper to get interested parties together to start talking about it. In the RFP we will include a section on the financing of the project and arrangements for leasing back, over a five-year period, from whomever built the pipelines. In which time the government would own the pipelines outright. The cost of paying for the leases would be paid wholly from the cost of fuel. That will be in the cost of gas, of heating oil et cetera. So, therefore it is different from the process we use here in the House.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. There is still going to be an outlay of government funding. The savings of fuel will not be realized until after the pipelines are built. So, there is going to be an outlay of government funding which has to be accounted for in some process. To me this is a capital item that is being constructed. So, we would see some outlay of capital dollars whether it is in a one-year lease or a five-year lease, but that is still an outlay of capital dollars. How does this work when we talk about the capital planning process that was relayed to us earlier today? How does this project fit into that? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I do not want to confuse the issue here, and I will try to explain it as well and as briefly as I can. The financing or the cost of building by plans will be put up by the winning proponent and the cost of the lease cost will be paid back to the proponent from the monies that are brought in from consumers who are purchasing the fuel so there will be no upfront money from the government.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I guess looking at this issue as the government speaks of principles and processes, and what I am hearing now, this is outside of the capital planning process. In actuality no Government of the Northwest Territories' dollars will be spent. This will all be private dollars, and there is no repayment until the new fuel has arrived and is starting to be sold. So, if that is the case then, where does the government become involved besides right now it owns the tanks and the existing lines? Where does the government become involved in this? It sounds like this is a purely private situation.

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CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Madam Chair. I think what I neglected to mention was that the petroleum products revolving fund is voted in or put through this House, I believe, as an information item, because the money in the fund is one where it is used to build capital such as tank farms and pipelines and as leases or the monies come in are put back and used again. So, it is a revolving fund and as I believe that the details of the revolving fund are not ones that are normally voted on in the House. I could be mistaken.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Arlooktoo. Final question, Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. This is getting more confusing by the moment it seems. I believe some of the discussion on the revolving fund the Minister talked about in this Assembly is that it was not in great shape. So, that is one concern. The other one is, you spoke of earlier, that this is an RFP that is going out, but I am hearing a number of things and this seems quite specific that if this is an RFP that is going out that is being set up for a tanker delivery system because of the pipelines, and it seems like you have worked out the prices already on a lot of these things. My next question is, why would it be an RFP and not a tender? Because it seems like all the things we have been listening to are quite specific, the things you are requiring. It is not like this is an unknown factor where RFPs usually come into play.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I think it is important to point out once again the difference between an RFP and a tender. We are issuing an RFP for the building of pipelines that will enable us to probably go for public tender on the delivery of fuel. So, those are two different things and the reason why we are going for a request for proposals is because we know as the Premier explained yesterday we know what it is we want, a pipeline, but we do not have all the information on how to get it. There are other issues on location about the type of pipes, about the length because of the different terrains. Environmental issues we need to deal with. So, that is the reason why we are going on with the request for proposals and not a public tender. But I would fully expect that once all the information is known on how to get fuel into the region, that it will go through the public tender process.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Questions for the Minister. Mr. Henry is next on the list.

MR. HENRY:

Thank you, Mr. Chairman. I am going to leave fuel alone for a few minutes. The Minister introduced Plan 2000 some months ago, and Mr. Picco asked some questions about it. In the Minister's comments I noticed twice that he used the words "crisis" in the

current housing situation in the Northwest Territories. The Minister had answered a question and I did not quite understand whether he said there were 600 new homes added this year in response to Mr. Picco, or 600 families were housed. When I look at the population statistics and the census results for 1996, I noticed that the number of occupants per home in Canada is 2.65 and in the Northwest Territories it is 3.39. If I break those down further into Nunavut and the west, Nunavut has 3.39 persons per dwelling and the west had 3.12. Is this a poor choice of words on the Minister's part "crisis" or is there something that we are not getting from these numbers? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. First on the new homes, there were over 600 families that we assisted additionally with Plan 2000, and I believe there were close to 340 new homes built as a result of that. The others were extensive renovations, et cetera. If you compare 2.6 persons per household and 3.39 it does not seem like a big difference, but I think you have to really look at who the people are that you are counting. In communities all over the Arctic we have, percentage wise, dangerously high numbers of very young people, fifteen years and under. The figure you raised, I think, is a little misleading. We have still many households that are over crowded. There is I think, a very urgent need to build new social housing. It is something that we are trying to pursue with the federal Ministers, but I believe very much and I think the two previous housing Ministers would agree with me, unless things change, unless we can convince the federal government to build new social housing that there is in fact a housing crisis looming. It is very important that we try to do something about it, and I do not think it is an exaggeration or over estimation. Unless we do something there is very much a housing crisis on our door step in every sense of the word.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The Minister talked about and I quote "many homes over crowded" if he could put some numbers to that it may help me understand the situation a little better and too many of these

homes are over crowded, the number of family members in them. Following on, I believe it is fair to say that you pay a premium in construction for constructing single family homes. Has the Housing Corporation looked at building apartment units even in the smaller communities where the Minister has identified as needing accommodation? If he has, what is the savings that could be realized? I mean, we realize we are short of financial resources to deal with the housing requirements that the Minister through the corporation have identified. So what consideration have they given to building apartments to assist. Thank you, Mr. Chair.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. Our last survey said there are 4,500 or so families in core need for housing in the Northwest Territories. That figure, I very much expect and all the experts say, will be rising dramatically. As far as single family homes go, the Member is quite correct that in terms of economy of scale, single family homes are much more expensive than apartment units. Apartment units in the communities are, I think, one that the leaders in the communities might find a bit undesirable. Previous governments have built multiplexes in the past. I think it is certainly something that the Housing Corporation senior staff and myself have been thinking out loud about.

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I believe that it is time that we look at this very seriously. We do not want to get in the situation of the warehouse type huge apartment complexes that you see in some of the former communist countries and so forth, but we do need to get better economies of scale in this exactly because of the amount of money we have.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. I have questions to the Minister, and I have on the list, Mr. Rabesca and Mr. Krutko in that order. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. It has now been a few months since the Housing Corporation Plan 2000 was announced here in the House. I am wondering if the

corporation has received any feedback from the public on it. From this feedback, would you provide an overview as to what the general public is saying about this initiative. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I believe the Member was asking about the Plan 2000? Yes. We have had enthusiastic response from interested parties, families, about this initiative. We have more clients than we can possibly deal with in a year. But there are some difficulties, I think with clients who have never had dealings with banks because Plan 2000 requires you to deal with banks. It requires you to have good credit rating et cetera and that is for many northerners an area that might be a difficulty. There are always improvements I think that we can make on the project.

But generally, it has been successful. We are achieving what we set out to achieve, to help more families. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. I realize that it may be rather early to see any effects as a result of this plan. Could you comment on what benefits have been realized from this inception of this program? Is there any increase in the public new housing or any more construction of these new public housing in the future? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. There has been I think two main areas of benefits. One is you have a family that has a brand new home in most cases, and other you have a family with a renovated home. That is another benefit.

In the area of where we are building new homes, we have been targeting the higher income families that are in public housing. So, one of the benefits is that

the higher income family moves out of public housing, moves into their own house that they will pay for from their own pockets, then frees up the public house that another family may well move into. That has been the most benefit. No, it has not resulted in any building of new social housing units. There just are not any.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. I understand what the Minister is saying now but about a different topic again regarding the Snare Lakes housing delivery. In the future if there is any more housing to be delivered, I hope to help the community of Snare Lakes in my riding. I wonder if there are any packages that might be coming up that way in the future? One, to be delivered and, two, how it is going to be delivered since the winter road would be out according to recent Ministers that I have questioned? If there were to be any delivery this coming winter, how else would it be delivered, should it be by air, or by winter road, by what means of transportation? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. Obviously, I do not have specifics on all the communities, but I would certainly be willing to direct my staff to look at what has been requested out of Snare Lakes and to ensure that they receive all the information that they need to apply and be successful in getting their share or getting what they are eligible for under the program.

In terms of how the housing packages are delivered there, I do not have that information. It would be in the same manner as any other infrastructure or cargo being delivered to that community. I would work with the Department of Transportation Minister on that.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Rabesca. Questions to the Minister, I have Mr. Krutko and Mr. Ningark in that order. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My comments are in regard to the whole area of housing and the demand for housing especially in the west. As the Minister may be aware, it has been quite some time since any senior citizen's units have been built, especially in the western arctic. The demand from the seniors for senior citizen's units, especially for the elders is great. It is always asked for whenever you meet with the seniors. So, I would like to ask the Minister, when will the department, especially in regard to the Housing Corporation, seriously look at the housing demands especially in the western arctic which I believe is almost the third highest area with the number of housing units in the Northwest Territories.

Especially the area of the seniors is one that I hear a lot about especially in a place like Tsiigehtchic, McPherson and in Aklavik. I would like to ask the Minister is there any possible way that the flow of housing will change course and we will also have the opportunity of having seniors units in the western arctic.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Before I ask the Minister to respond, after the response from the Minister, I would recommend we take a 10-minute break, and we will return after that to Mr. Krutko. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. The Member is correct that the housing demand in the western Arctic has certainly increased. The last housing needs survey

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showed that the families in core need have increased over the last few years since the last needs survey. Because our delivery is based on need and demand, I reported to the Standing Committee on Infrastructure some time ago that would mean an increase in the housing assistance that we deliver for the western Arctic in general. In terms of specific communities the new program we have would try and deal with the need survey deals with specific solutions for the specific communities.

On the senior citizens homes or the seniors residences, the Housing Corporation is responsible for the building only of those homes. The allocation is with the Department of Health and Social Services, Minister Mr. Ng.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. In consideration of the amount of time the Minister has been sitting there answering questions I call a 15-minute recess.

--Break

CHAIRMAN (Mr. Ningark):

I would like to call the house back to order. Mr. Krutko on question number two.

MR. KRUTKO:

Thank you, Mr. Chairman, it is in regard to the Keewatin resupply and to the understanding that I have, as chairman of the Resource Committee, in the last briefing that we had. We are on the understanding of yes, there were some difficulties, especially with the Churchill operation and the railroad. But when we were finished with the briefing, we understood that all these areas of concern were resolved. There were agreements in place with the outfit that was leasing the tanker farm facility and that the rail operation was going to continue. That was an understanding that we had and because of that, we basically made a decision in the committee, in which we made a recommendation in regard to the business plans, that in view of division in 1999, that it was moved, that we not enter into any contracts pertaining to tank farms beyond 1999.

Basically, we continue to operate with direct resupply as it presently exists in the Keewatin. That was the understanding that we had in the committee from the information that was given to us, but at no time were we aware that there was another area being accessed through the Department of Public Works and Services, in regard to the petroleum division.

I think because of that, it caught a lot of us off guard in regard to the public statements that were being made on the radio, to motions that were passed by municipalities, letters that we have received from different regions and communities in the north. I think because of that, there is a lot of discomfort for everyone here on this particular matter.

I would like to ask the Minister, despite what has been done to resolve the uncertainty that was out there, why is it that we are continuing on with the project with the understanding that we still do have a credible, direct resupply service that can continue on with the job until 1999?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I think one of the problems is the complexity of the whole resupply situation that it is one that involves the present resupply which is to take the fuel from the refinery, at this point in time, which is in Edmonton, at another point in time, it could be elsewhere, which is loaded onto rail cars and taken by rail to Churchill, unloaded at the big tank farms and taken again, to the communities after being loaded on barges. There are quite a number of issues. There was a point in time when we had some problems in getting permission, recently from the tank owners in Churchill about actually storing fuel in the tanks.

After some work by the Public Works and Services staff, there was an agreement to do use the Churchill tanks as we had before. I think the difference is that the fuel that will go to these tanks will not come through the railway, but will be delivered by NTCL by tanker and stored in Churchill, and then NTCL will take the fuel and deliver it to the communities this coming season.

That was the issue that had been worked out and that was apparently communicated to the resource committee, recently. As I said before, it was other staff or another Minister that had made the presentation, I was not involved in that.

As far as opposition to what we are doing now, I think it is important not to overstate the opposition. I understand that there has been a letter from Mr. Dillion from the Delta area, Mr. Wilcox from Cambridge Bay, the Hamlet of Arviat as I understand is the only council that has made a motion in this regard, and there has been other opposition. I think it is one, again, of making a decision, a choice, which we have obviously made, and a choice I think that a responsible government would make if you look at the long-term cost or long term savings. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Regarding savings and questions about liabilities, and the overall question of what is being done and comments that were made or motions passed, I believe there was one aspect I do not hear being stated by anyone, either the

department or the people from the resource sector in regard to the whole question about environmental protection. There is a whole process in regard to the (inaudible) process, in regard to the whole screening process for environmental protection.

If you are talking about 20,000 ton tanker, it is a little different than talking about bringing a barge. I think because of what happened with the Valdez in Alaska, that this is a real opener for the people, not only in the north, but in Canada that you are dealing with unique conditions from ourselves in regard to what we have seen to date with the resource committee in regard to the hydrographic survey, that has been done. It was done on a minimum sketch of running a few lines.

When I think that it is one area that I do not seem to hear much of. We hear a lot about how all of this development is going to take place, but I do not think we are hearing anything in regard to the whole area of the ERP process or in regard to a call for an environmental screening of this particular project and in that case, you are talking about a process that could be bottled up for a number of years.

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I think we have seen it in the Beaufort Sea, in regard to what happened to the process with the oil and gas exploration, and I think that this is something that has to be seriously looked at from the Minister's department and also the report that we receive from the Auditor General in regard, particularly the environmental audit, the whole area in regard to tank farms and oil spills and things like that have to be seriously considered.

I feel there was to be more emphasis made on the protection of the Arctic environment. I think we have heard that, time and time again, especially the disaster that took place with the Valdez in Alaska. I think that the Minister, to date, I have not heard one peep about the environment and the protection of it, yet there are all these grandstands about spending somewhere in the area of \$60 to \$100 million for projects such as this. I think that is something that has to be looked at.

I ask the Minister, exactly how long does he see an environmental process taking to conclude this process, in regard to the environmental processes that are in place, either federally or through the Nunavut claim? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I was going to mention in my earlier answer, in regard to the motion by the standing committee, apparently about no more tanks farms. This is not a proposal that includes the building of tank farms. The Department of Public Works and Services informed the review of the Keewatin Resupply Steering Committee that environmental audits were underway and would be done in September. I can certainly update the appropriate committee on the results of that.

The field we are talking about is very different from the unrefined heavy oil that was spilt in the Exxon Valdez accident. We are talking about refined, light fuel that behaves differently when it is spilled in the ocean. It is something that disperses or spreads out very quickly into the air, although it is not desirable, it is something that is totally different.

As far as environmental studies go, I do not have the details but the pipelines that we are going to be building are just additional to the ones that are already there, in a slightly different but probably, mostly within sight of the present one. As far as the vessels go, the fuel is being delivered to these communities on an annual basis now by different, smaller vessel. One in the water, just the same. That is exactly why we cooperated with the Government of Canada with the hydrographic surveys to make sure they were safe.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Mr. Krutko, your final question.

MR. KRUTKO:

Thank you, Mr. Chairman. My final question to the Minister is in regard to respecting the wishes of the people of the Northwest Territories and also the wishes of the people in this House. I would like to ask the Minister, if a motion is passed to delay this project, will you accept the wishes of the people in this House on behalf of the residents of the Northwest Territories and cancel this project once and for all?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I would not want to make a guess on how Members would vote on a particular motion if it was introduced in the House. I would certainly see my role as informing Members even more about the importance of this project. Why it is a good idea. Trying to gather support as I am now for the project. I think in my own mind it is very clear that it is logically the best thing to do. Therefore, I would not want to speculate about such a motion being introduced and perhaps passing.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Questions to Minister Arlooktoo. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Point of order. I asked the question to the Minister, what will he do in case a vote was passed in this House in conjunction to this project being cancelled and that is the end of it. He did not answer that question.

CHAIRMAN (Mr. Steen):

Mr. Krutko, I believe the Minister said that he did not want to prejudge the outcome of the vote. Therefore, he was not going to respond at this time. That was his answer. I move on to the next Member on my list. I have Mr. Ningark and Mr. Erasmus in that order. Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, the Minister of Public Works and Services... I cannot.

CHAIRMAN (Mr. Steen):

Could I ask the Members to be respectful of other Members speaking so that they have the attention of the Members of the House. Thank you. Mr. Ningark.

MR. NINGARK:

Yes, I deserve respect because I am older than most Members here. Thank you, Mr. Chairman. In the Minister of Public Works and Services' statement, he indicated, and I quote, "the residents of the Keewatin can look forward to some savings during the period when the new pipelines are being paid for. However, you will see a significant reduction in fuel prices after the five-year payback period." We are specifically talking about Keewatin.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. The way resupply contracts are issued in the north are in zones or in groups. There is the eastern Arctic resupply, which includes pretty much the whole of Baffin region and which includes Repulse Bay and part of Pelly Bay. There is Keewatin region, and then there is the Kitikmeot region. These are stand alone, paying-for-themselves-type contracts. Therefore, there should not be significant changes to the Keewatin resupply as a result of this. Perhaps, in the future, as Nunavut evolves and savings for the Nunavut government are realized, the significant savings, I would expect that would make a difference in the general coffers of the Nunavut government, and therefore affect the Kitikmeot.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. Before I move on again to Mr. Ningark, could I please ask the Members to show respect to those who are speaking and keep order in the House. After all, it was us that requested these people to be here. Mr. Ningark, your second question.

MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, I think \$65 million to \$100 million is significant savings to the region for the Keewatin. Mr. Chairman, can the Minister tell this committee if any consultation or study was done on the possible impact of this initiative on other areas of the Northwest Territories like the Kitikmeot region? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. Mr. Arlooktoo, you wish to respond to that?

HON. GOO ARLOOKTOO:

No, there were no studies or consultations. Thank you.

CHAIRMAN (Mr. Steen):

Mr. Ningark.

MR. NINGARK:

Thank you. I am going to have a difficult time supporting such initiative when Minister of the public government in public stated and I quote, "I say, we, because this improvement is the direct result of the partnership between MLAs and the Ministers working together on Keewatin resupply." Until such time that my region and the people I represent and the Nunasi Corporation are consulted thoroughly, I do not believe I am going to be able to support this initiative. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. There was no question there. You have one more question left, Mr. Ningark. Would you like to ask it?

MR. NINGARK:

Thank you, Mr. Chairman. I had a strong feeling that this, a major project, was predetermined by the Cabinet or perhaps by a single Minister. I do not know. I think, Mr. Chairman, it would be interesting to find out which company in the Keewatin region would benefit from the construction and the maintenance of the proposed project. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ningark. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Chairman. I think the Member brought up some more than interesting things and I think it is important to say, very clearly, that we do not foresee, at all, that the Keewatin fuel resupply contract will have any effect on the Kitikmeot region. The concerns that I have heard expressed from Mr. Wilcox and Mr. Dillon are almost word for word what Mr. Clement, the president of NTCL, been telling us over the last few months since we have made the decision. I believe these were the same words pretty much as the Member for Hay River, had said. I understand that she is very responsibly trying to protect the company that is situated in Hay River and that has an important contribution to the economy there. But it is important for Members, I think, to try to understand the logic behind why we are doing it. I have tried to explain it over and over again. It is clear to me. Clear in my head and maybe I am the only one, but I have been able to convince Cabinet, and I know there is support in the Keewatin region except amongst some smaller circles. As far as who will get the work in the Keewatin

region, that is yet to be determined, following the RFPs, but I would hope that it is a Keewatin company foremost and then a company from the Nunavut area second and the Northwest Territories third. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Arlooktoo. I now move on to the last person I have on my list, Mr. Erasmus.

MR. ERASMUS:

Mr. Chairman, I am having a hard time following this conversation. We have all been here for a little over 15 hours. I move we report progress.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. A motion is in order and is not debatable. All those in favour of the motion. Opposed. Thank you. Mr. Erasmus, your motion is defeated. Mr. Erasmus, you are next on my list. Do you have questions for the Minister?

MR. ERASMUS:

Mr. Chairman, in view of the fact that of all the, discussion with all the Members who are opposed to this particular venture, it is very difficult for me to support this. I think perhaps it is time for the Minister to attempt to put together some sort of a document and the rest of us can have a look at it. But at this particular time, I would not be able to support the project that has been discussed here for about the last two and one-half hours or whatever it was. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. There was no question there. Do you have a further question?

MR. ERASMUS:

Can I go home now?

CHAIRMAN (Mr. Steen):

I have no one else on my list. Can I get some direction from the committee. Does the committee agree that we are through questioning Mr. Arlooktoo?

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Steen):

Thank you. We will now move on to Mr. Dent. May I ask for some order to start with. Thank you. Before we proceed, could we all agree that we will try to keep our preambles down? Agreed? Thank you. I have for starters on my list, Mr. O'Brien.

MR. O'BRIEN:

Thank you, Mr. Chairman. In view of the hour, I will be brief with my comments. It would have been a little more appropriate if we had saved Mr. Dent for tomorrow so we could really enjoy our time here. Mr. Chairman, most of my

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dealings with Mr. Dent have always been very reasonable and very fair. I think he is up front which is nice to see now and then in the House. I will spare the Members any questions of the Minister. I think he is doing a great job.

CHAIRMAN (Mr. Steen):

Thank you, Mr. O'Brien. There was no question there. Do you have a question number two? I will move on to Mr. Krutko. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My question to Mr. Dent is in regard to curriculum development especially in the communities. In that there are a lot of aboriginal communities that want to develop a curriculum around either the tradition and culture of the people or even the life skills for students who would realize that there is an opportunity there in regard to on the land skills, developing a curriculum in the communities so that they can be able to understand the whole life style of trapping, hunting, fishing, gun safety, and also regulations dealing with hunting, trapping and fishing. To be able to implement it into the education system in the schools so that there has to be more of a...

CHAIRMAN (Mr. Steen):

Could I have some order so the Member is allowed to speak. Your side conversations are coming in on the microphones. Thank you. Mr. Krutko.

MR. KRUTKO:

My question to the Minister is if they can streamline the abilities of communities to develop curriculum for

schools in regard to the particular culture that may associate, especially in regard to my riding. Presently there is a lot of push to develop such curriculum for the education system because of the claims being settled, the institutions that are being developed, especially in regard to the land and water boards, the land use planning boards, the environmental assessment groups. They want to educate the students so they realize the opportunities that flow from claims and also from the land that is valuable resource that they should direct their education in those particular fields. I would like to ask the Minister what is the easiest method or process to get these activities in place and develop curriculum for the schools within my riding?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Dent

HON. CHARLES DENT:

Thank you, Mr. Chairman. Good morning. The schools in the Northwest Territories are an early example of community empowerment. In fact, communities are encouraged to take significant control in what happens in the schools. Therefore, developing the sort of program within the school that the Member has talked about is quite possible. Many of the aspects of the programs he talks about, in terms of traditional life skills or land claims knowledge, could be worked into current school programs. If the local DEA works with the school staff to ensure that through programs like the CTS modules or the social studies course and using the Dene Kede curriculum, these aspects are worked into the regular program during the school year.

If the Member feels, and the community feels, that it is essential to have a separate curriculum, that too can be accomplished. We have had one example of a divisional educational council developing a specific land skills program or curriculum. That was in the Kitikmeot. A fox-trapping curriculum was developed. With that program, the divisional educational council took the lead to develop the curriculum. They were supported by the Department of Education, Culture and Employment as well as the Department of Resources, Wildlife and Economic Development. So the first step if the community is interested in that kind of curriculum, is for the community to discuss the issue with the divisional education council. If a way cannot be found to work the program into the current curriculum and the divisional educational council is

prepared to take the lead, I am sure we can find some way to support them to develop a specific curriculum.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Questions for the Minister. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My next question is in regard to the outstanding issue of the Chief Julius School and the outstanding bill regarding the gymnasium. We have spent a lot of time talking about it. I have raised this question several times. I would like to ask the Minister if the arrangement that was made with himself, the Minister of Municipal and Community Affairs and the Minister of Finance, about finding arrangements so that we can possibly use some capital dollars that are presently in the municipalities budget in regard to capital and moving that to offset the bill for the monies that are still owed on the gymnasium. Is that offer still available to the community of Fort McPherson?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. I cannot speak for the other two Ministers involved. The arrangement the Member referred to was one in which, I believe, Municipal and Community Affairs had a piece of heavy equipment that was included in the capital plan for the community and the community had the option of choosing to redirect the funds into an expanded gym. I understand the community did not agree to that. I would say that the Department of Education, Culture and Employment does not have anything in the plan that I am aware of that could be moved around. I am also not aware if Municipal and Community Affairs, does and I would encourage the Member to discuss the issue with the Minister for Municipal and Community Affairs. I cannot make any commitment on her behalf. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. The other area in regard to education is the whole area of treaty rights and

program rights in regard to the delivery of programs and services and the accessibility of those programs to treaty Indians who are registered, members of particular bands especially in the Northwest Territories. This question seems to be a real problem when it comes to student loans and students who are attending school in southern Canada. They seem to have a real problem when it comes to funding, especially in regard to the aboriginal student. Where they seem to be left hanging out there like a lost tribe where they do not really associate with anybody. But yet, they are registered Indians on a particular list, especially in the bands in the Northwest Territories. It seems like it is an outstanding problem that seems to keep coming up, but it seems like at the end of the day we are talking about educating our people, it does not matter where they live, but limiting a resource which is being a member of a band to strive as far as they can in regard to getting the best education they can and being able to come home and assist the communities they come from. I

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would like to ask the Minister, has he made any endeavours into trying to resolve this treaty question with the Minister of Aboriginal Affairs or the Minister of Indian and Northern Affairs to try to find a way to deal with this outstanding question? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, the Student Financial Assistance Program is designed to support residents of the NWT. The program does not have specific allocations for bands. The rules stipulate that it is to be provided to Northwest Territories' residents. When the problem first arose, the Department went to Indian Affairs and Northern Development and did conclude an agreement with them that would allow students who were living in the south to be processed through DIAND. The answer to the Member's question is yes, we do have an agreement with DIAND to make sure that students who are not resident in the Northwest Territories are handled by the DIAND process in southern Canada.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. My question is in regard to the other area that you hold in your portfolio, that of income support. One of the things that we seem to see, especially in a lot of the small communities, is the amount of resources that they do get to carry out this program in the communities where you try to attract good people to assist and carry out programs and services in the communities on behalf of this government. But it seems as if you are either getting half-time positions or you do not have enough resources to attract people to a full-time position. I think that we have to make an effort in order to generate income through programs such as income support to ensure that adequate funding is given to the communities when they do take on these endeavours on behalf of the government and that you track good people and pay them a good wage and also that you place them as full-time positions, not half-time. I think it is one of the problems we are starting to see in the communities when we talk about community empowerment that we try to empower communities, but we limit the amount of resources that we do allow them to carry out these activities. I think that we have to somehow increase those amounts so that it is sufficient and that programs are successful. I would like to ask the Minister what is being done to ensure there are adequate resources when we allocate programs and services to be carried out in communities by communities? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. That was your fourth question. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. I would agree with the Member that we want to make sure that when we hand over a program to a community we should do everything in our power to make sure that the program is successful. We have established the level of support based on a certain number of client visits. I believe it is one full-time equivalent position for every 2,000 client visits. That formula seems to work in almost every community in the Northwest Territories. What we have to ensure is that if a community experiences an upsurge in the number of visits, and there is an increase in the numbers of people accessing the income support program, we have to be ready to react with changing support levels in that situation. I know the Member had approached me about one of his communities, and I committed to have the department re-examine the case load in that community to ensure that what is provided is in line

with what should be available. If the community is still having problems, even after we find the proper amount is going for support, I can commit that staff from the department will work with the community to look for solutions to see how the program might be made more efficient so as to not be burdensome, but in fact be of greater service to the residents of the community.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. I now recognize Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The Minister had a panel recently on the student financial assistance, and I would like to ask the Minister when that will be tabled? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. I have committed to the Standing Committee on Social Programs that I will have that report for them at our next meeting. I am not sure exactly when that is going to be, but I will table it sometime after that. Depending on what the timing is for this House, I may find a way to make the report public before I have a chance to table it. I would expect this should all take place in the next four to five weeks.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The department has a policy of inclusion within our school system. It is governed by the philosophy of inclusion whereby all the students have equal rights and access in our school system and can learn alongside of each other, regardless of their mental or physical or learning abilities. I believe that both educators and administrators and also parents alike have recognized that this policy does not always work well. I would like to ask the Minister when his department is going to recognize that there are some flaws in this policy which schools are mandated to follow? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, I do not agree there are flaws in the policy of inclusion. I came across an interesting article just in the past few days where a survey of teachers in Ontario had found that they agreed, almost unanimously, that the policy of inclusion was, in fact, the best way to educate young people. There is concern in our communities that perhaps the policy of inclusion is not as successful as it should be because there is not enough support in the classroom for all of the students. The department has taken notice of this concern. As I have told this House previously, the special needs portion of the school funding formula is the only area in the formula which has increased over the past four years consistently. The department is aware of the concerns and the need to do what we can to provide the best support possible in the classroom. However, the policy itself is still the best way to make sure a program of education is provided to kids with special needs, and we will, therefore, be continuing with it.

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CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Question number three, Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I have heard, as well as the Minister has, many positive comments about inclusion and the merits that have come from a social context. I think the flaw is the lack of resources, as the Minister has identified. I suggest that finances and support within the classroom would help to go a long way. I do not, as the Minister has also communicated, have any magic solutions to a shortage of dollars. At the same time, I think it is something that continually has to be looked at, and we just cannot sort of throw our hands up in the air and say, well, we do not have any resources to do a better job. I think we have to find ways to be more creative with the resources that we have. It is important that we do the best job that we can, as I am sure the Minister and the department try. Have there been any creative ideas to alleviate the problem of support in the classroom? Are there any new ways that are being looked at to assist that

process that potentially class sizes can be smaller?
Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Most of the creativity takes place at the community level. Whether that involves parents in the classrooms, volunteers in the classrooms or other agencies help. A number of creative solutions have been tried in different communities across the Northwest Territories. It really takes the teacher, the parents, the school, the community, getting together and looking at what the needs are, what resources are available and how to best use them. I am confident that our communities, our schools and our teachers will look for those solutions. At the end of the day, an inclusive program is far better for all children with or without special needs than programs that pull students out of the classroom or programs that just warehouse kids because of inadequate resources. I would agree with the Member that we have to look for innovative solutions. The department is looking for ways to continue to increase, as much as possible, the support for special needs kids in the class. I think that the teachers will keep working with us, as will parents and communities.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Henry.

MR. HENRY:

My final question, Mr. Chairman. On the question of available resources, there is always a possibility of reallocating resources. I understand that there is a large sum of money contributed by the department to the regions and to school districts to provide bussing. Has there been any discussion with the boards that some of those bussing funds could be used in the classroom? The Minister is probably more aware of how far away most students are from class, but I have always maintained that it would be better to have a teacher in the classroom when the children arrive, rather than having them arrive on the bus and no teacher in the classroom. Has there ever been discussion with the school districts to use some of the resources that are used for activities other than direct instruction in the classroom such as bussing? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. The department basically block funds divisional education councils. The formula is used only as a means of allocating the money from the central government to those councils. Therefore, different councils use their money in different ways. In fact, a good number of the councils have taken a look at the support provided for bussing and have chosen not to use the money for transportation, but to put it into the classroom. It is happening in some areas and is entirely within the councils area of responsibility to determine whether or not to spend any money on bussing or put it all in the classroom. They make those choices.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Questions for Minister Dent. I have Mr. Picco and Mr. Roland in that order. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, it has been a long evening, and I believe we have set a record or something for the longest sitting in the history of the Northwest Territories legislature. We should congratulate ourselves on that. Thank you, an enthusiastic response.

UNKNOWN SPEAKER:

But what did we accomplish?

MR. PICCO:

First of all, a short commentary on the Department of Education, Culture and Employment, and the Power Corporation which is under the Minister. On numerous occasions several times now, Mr. Dent has been able to come to my constituency. He has always been available for questions and concerns. I appreciate that. We have had some major concerns especially with student housing and that. On the Power Corporation over the last couple of years, we have had problems with power outages. We had a generator problem, the Minister responded with information on that when asked. I had an opportunity to tour the power plant with the Minister and I appreciate that.

I would like to begin with some questions on the Department of Education. You have had a lot of questions and commentary on student financial assistance over the past two years. Problems with cheques arriving late, with the amount, cheques in the mail kind of situation; cheques not coming off the information system. Most of those seem to have worked themselves out now that we have Education, Culture and Employment staff facilitating that. My question to the Minister of Education is on student financial assistance and the accessibility and availability of those cheques. I wonder if the Minister could let us know indeed how that system now is working since that change? Is there any talk of devolving more of the authority of cheque writing into the regions? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Picco, your preamble was on the Power Corporation but your question was on education. Is that two questions?

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, on the preamble I was introducing the Minister as the Minister for Education and the Power Corporation. In my preamble I brought forward the situation regarding both of those departments under the Minister and said I would start my questions under the Department of Education and later in my four questions allotted to me, I would ask him about the Power Corporation which is also under his mandate, for the last two

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years. My question was on the student financial assistance. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. I will give you the benefit of the doubt. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, in regard to Mr. Picco's question about how the system is working, it does appear to be working relatively well. We had some minor problems with issuance of cheques this September when the FIS went down for a couple of days. But staff were able to work very quickly to get things back on stream. I believe by and large, I did not hear of cheques going out any later than ten working days after application which is the target.

One of the tasks I had asked the ministerial forum to look at was to provide advice on the program delivery. I know they heard an awful lot of submissions from students and people who had been involved in the system for a while which included a number of recommendations for improving the delivery of student financial assistance. I am not going to make any promises about devolution or any changes to the program until I have had the chance to review the recommendations contained in that report. I will then discuss them with the department, the standing committee and then this House. It would be premature for me to make any promises about anything at present.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Your second question, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. My second question concerns the trades programs. On a couple of instances over the last two years, I have asked the Minister about the opportunity of moving the trades programs like carpentry, plumbing that are located right now at the Thebacha Campus, to the east because we have no facility for those types of trades programs and a lot of our students have to travel to Fort Smith.

With the coming of Nunavut on April 1, 1999, we will have to have those types of programs in our region. I wonder if the Minister, through his department, has looked at this situation? Have they got a strategy in place to make sure that after April 1, 1999, we have those programs ready to take place? Is he looking at transferring some of those programs over? I think it is a cost saving to be able to educate our people in our own region. Again, it is one of the main areas that I would like to see occurring. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Given the report that Mr. Todd tabled recently in this House that pointed out it was cheaper to buy new furniture than it was to move the furniture from Yellowknife to Iqaluit, I doubt it would be cost effective to move a bulldozer from Fort Smith to any of the Nunavut communities.

Mr. Chairman, it needs to be recognized that Arctic College has been divided. There are now two colleges, Nunavut Arctic College and Aurora College. They are not connected. They are two completely separate institutions. We have students that attend college from the other jurisdictions. In fact, we have students who attend both colleges from other provinces and the other territory. But it would not be a question of moving something from Fort Smith to Rankin Inlet, Iqaluit or Cambridge Bay. I am prepared to ask the board of Nunavut Arctic College if they have examined the cost effectiveness of providing that sort of training in Nunavut and whether or not they plan to develop such a program. I can get back to the Member with their response.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. That is all I am asking, to have a look at it. We all realize that as of April 1, 1999, we are going to have those programs in place. If we already have them in place in one location, it would be easy to transfer the curriculum that is available, and we will need some tools and everything. For example, we used to have the Sanavik program for carpentry in the east but that was cut from the housing associations around 1991. Talking about moving a bulldozer is a misnomer because we have lots of heavy equipment in the east and all those communities the Minister talked about. So I would ask him then if he could talk to colleges to see what plans they have for those trade programs. I appreciate that.

Moving on to my next question on income support. There has been some concern over the past couple of years with income support. The amounts and so on. However, after saying that, with the Department of Education, Culture and Employment now delivering income support, there has been talk about work and other items under the income support plan. I also understand that after the latest rounds of cut backs, because of deductions on people's cheques, we had quite a few staff in certain regions, even though they were working full-time for the government, actually getting income support. My question would then be to the Minister on how income support is working? Has he seen an increase in the amount of dollars paid out under income support? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. On the Member's first question, the income support program is working quite well. The changes that have been made to the program have generally been well accepted at the community level, and we think it has demonstrated some moves in the right direction to helping people achieve self sufficiency.

In answer to his second question, there has not been an increase in the demand for income support. I am speaking now about the overall, global picture. Some communities have realized an increase, yes. Others have gone down. But if you take a look at the overall picture, income support has stayed just about the same.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Picco, you are down to your last question.

MR. PICCO:

Thank you, Mr. Chair. You might remember, I did not vote to go from eight to four on those questions. Mr. Chairman, my next question is on the other portfolio of the Minister and that is the Northwest Territories Power Corporation. There has been some discussion about some of the good things the Power Corporation has been doing, for example, in Fort McPherson using the excess heat in the

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power plant to help to heat the school and that has been a cost saving to the school board and thus to the government. I think those are good initiatives.

My question on the Power Corporation concerns the equipment in place in the communities and the liabilities. On the liability side of things I guess I will direct my question in that area. Northern Canada Power Commission went through some of their stations to look at environmental liabilities that were on the sites. The last update we had on this from the Minister was in our previous sitting this past summer, I think it was in May. I would like to ask the Minister now, after the summer, has he got any update on the environmental liabilities of the Power Plant, which I think is a very proactive move on the Minister looking at those environmental liabilities. Does he have any idea now on how many plants might have, like 15 out

of 35 or how many communities he has looked at, et cetera, on the environmental liabilities surrounding the power plants? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Picco. Mr. Dent, I believe Mr. Picco has addressed one question and that is the first one. That deals with the liabilities of the Northwest Territories Power Corporation. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Picco is correct. The Power Corporation has embarked on a five-year program to examine all of its plants to determine the potential for environmental liability. This summer was the second summer of the program. I am not aware of the reports from this summer's work having been completed. If they have, they have not yet been forwarded to my office. The first round did find a couple of communities where the preliminary indications were that we needed to do some more work to ascertain whether there might be some contamination. In the first year, most of the sites showed not significant contamination. However, three were included for extra work this summer to detail whether or not there was reason for further concern. In any case, the community councils have all been involved and know exactly what was being done, as have the regulatory agencies. I am afraid it will probably be January before I can report to this House on what the results were this past summer.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. I would now like to move on down the list here. I have Mr. Roland and Mr. Rabesca in that order. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. My question to the Minister would be in the area of policies. One of the first question I believe I asked the Minister when I first came to this Assembly was in the area of automatic passes. Is that a policy of this government, or does it go beyond that? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, it is not a policy of the Department of Education, Culture and Employment. It is something that the divisional education councils have adopted. I believe they have all adopted that policy. I might say that from the research done, it appears to be a justified policy.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. I will have to go back to the first answer I received a couple years ago. It seems slightly different. In the area of testing, right now part of this automatic pass system is that there are no requirements for testing until grade nine. Is that the case?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, as far as I am aware, the only standardized test that is used in our system is at grade 12 and that is where 50 percent of the final mark is based on the Alberta departmental exam. I am not aware of us using a standardized test at the grade nine level. The Member may be thinking about the School Achievement Indicators Program, which is run by the Council of Ministers of Education of Canada, which is a Canada-wide testing program which tests for different subjects each year on a three-year cycle. For instance, next April we will be testing for reading and writing and will test approximately grade four and grade nine students all across Canada at that time. But I am not aware of any standardized tests for anything other than grade 12 that relate to grade progression or final marks.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Does the Minister think it is part of his responsibilities in the Department of Education to provide for testing in grades possibly at all levels. Where does the Minister think the responsibility lies? Is it just the grade 12 or throughout the years of education? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. Mr. Chairman, I suspect that the underlying question is one of accountability and how do people know how well their children are doing in comparison to what level they might be expected to be at? I believe that we have a responsibility to demonstrate to people how well the system is working. That may include developing a mechanism for testing students. We do not have the resources to test students at every grade level. I do not think that would be necessary, nor do I think it would be productive. However, I do think and have discussed with the Standing Committee on Social Programs our working towards developing a system of accountability so we can demonstrate to the people of the north how well the system is performing. Some aspects of that system will include some testing.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. The reason I am going along with this line of questioning is that I think we are finding in communities in the north, especially in the senior high levels, parents are tending to send their children to southern institutions in their senior high years of education because they are feeling, for whatever reason, that the quality in the north is not to the level it used to be or it should be. That has a double impact because as we know, school formulas are based on enrolment numbers from a prior year. The more students who are sent to different institutions away from that community, the lower the school funding is. Hence, the questions towards testing and then for the ability for parents to feel that their children are achieving at a certain level and be able to measure off and either compare it to other regions or to

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the rest of Canada. Is there a policy that is territorial-wide that would measure the level of education achieved by students, a policy held by this department in measuring grades other than that of grade 12? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. There is no policy. As I indicated in my previous answer, I have recognized that there needs to be some method of demonstrating to parents and citizens who are helping to fund the system, some accountability. We have to be able to demonstrate just how well the system works. Testing does not always answer that. You can teach to a test. You can teach a student to pass a test very quickly. That does not indicate whether or not that student has gained all the skills they need to make it in today's world, nor does not indicate whether the student has learned all that they should from the curriculum.

We have curriculums set up in the Northwest Territories so a teacher knows just what skills a child should have achieved by the end of the school year. You often get a more accurate reflection of how a child has achieved by taking into account what the teacher says the results are. Not all children do well on tests. You cannot norm a test, make it effective for all areas of our population. We have a wide variety of settings in the Northwest Territories. We have a number of different languages with a number of students for whom English is a second language. Setting the tests up so they would be accurate for all of the people they are given to would not be cost effective.

I was previously questioned about putting more money into special needs. We can spend an awful lot of money setting up tests. It would not really prove just how well our kids were doing, but it would take more money out of the pupil/teacher ratio. It would cost us teachers. We have to recognize there is a cost for what we are doing. When I talk about an accountability system, I am talking about developing a system where tests would be a part of demonstrating to the public how well the system is working, but just a part. There has to be much more built into an accountability system. There should be an understanding among the public of what is expected of students at a certain age. The initiatives the department has undertaken, like working with the western consortium to develop common curriculum for math, social studies and English allows one to look at the curriculum and know that wherever a child goes to school in western Canada by the end of grade nine, this is what they should know in this subject. You cannot always ascertain this through a test. You sometimes have to rely on the teacher to give you a

better indication of whether or not the child can achieve that level.

Just last week, a Canada-wide curriculum for science was released. For kindergarten to grade 12, it is a great big book. I can let Members have a look at it as I have a copy in my office. It tells you at every grade level what a child should know to be literate in science. Some of the tools are available, but we have to find a way to better assess just how well our students are doing. Yes, we are working on that, but testing is not the only answer.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. I would now like to recognize Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. Over the last number of years my region and more specifically the Power Corporation has worked very closely with the NWT Power Corporation to provide power sources to ensure the needs are met for the demands of Yellowknife and surrounding areas requires. Could the Minister inform me as to what are the plans for the future in regard to possible hydroelectric dam or construction both in my region and throughout the Northwest Territories? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Thank you for a short question. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. The Power Corporation has enjoyed a very good relationship with Dogrib Power Corporation and, as I understand it, they are currently taking a look at the potential for further hydro development on the Snare system. I believe that one of the areas they are interested in developing the power flow would be in the diamond mining region as, at this point, it does not look like there would be much demand for additional hydro in Yellowknife. Therefore, they are looking at marketing the power in the minerals area.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Rabesca.

MR. RABESCA:

Thank you, Mr. Chairman. Regarding education again, it has now been two years since we assumed our positions throughout the Northwest Territories. The Department of Education has provided a new Act which covers education in the north. At the same time there has been a movement for communities to have kindergarten through grade 12. Can the Minister provide me with information as to the status of having from kindergarten to Grade 12 in all communities? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Rabesca. Mr. Dent.

HON. CHARLES DENT:

Thank you, Mr. Chairman. More than 90 percent of our communities offer high school programs within the community. The goal is to continue with grade extensions. We would like to see grade extensions in every community within the next three to four years.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Dent. Mr. Rabesca. Since I have no one left on the list, do the members agree that we are through questioning Mr. Dent? Thank you, Mr. Dent. I believe as the chair identifies each Member including Ministers is allowed ten minutes for wrap up. I am going to have some direction here whether we are going ahead with this or not. Do we proceed? Mr. Premier.

HON. DON MORIN:

Thank you, Mr. Chairman. Now is the opportunity for the closing remarks of ten minutes each for every Member. Thank you, Mr. Chairman. I will try to keep my comments short.

CHAIRMAN (Mr. Steen):

Mr. Premier, I just took that as a question of clarification. I am sorry I did not mean for you to go right ahead into it. If you do not mind the chair needs a little break. I do not have a replacement at this point. Five minutes before we get into this wrap up. I recognize Premier Morin to start off the wrap up. Ten minutes each.

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HON. DON MORIN:

Thank you, Mr. Chairman. I would just like to take this opportunity to thank all of Cabinet for the excellent presentations they have made. We continue to work and work together as a team. I think it is very important. I would like to thank the Members of the Legislative Assembly for their suggestions and their raising of concerns that they do have. I would just like to make it clear to the Members that we have all your concerns recorded through Hansard. I am not going to sit here tonight and try and address each and every one of them. But we will try our best to address them. We heard what you said, and we will take that into consideration and will continue to work together. So thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. The Mid-Term Review has given us an opportunity for all Members and the Ministers to speak about where we have been and where we need to go, presented our constituency concerns and our personal concerns. Our question process was long. We set a record in the length of time we met. I think we are at something like 16 hours now. The process has been productive. While we were all concerned about the timeframe this process has taken, we have to remember one of the responsibilities that we have in addition to being the questioners of government programs is to keep the public informed and to do things in the public is extremely important. We have to ensure that the public can view and assess the work that we are doing.

Under the new committee system, more business has occurred in the standing committees. Therefore, we have to continually make efforts to ensure that we communicate with the public. A lot of ground work has been covered over the last two days through statements, questions and answers. The result has been that certain commitments have been made because of the questions of Ministers. I want to give an example of that. For instance, the Finance Minister has committed to re-examining the policies that are in place regarding contract policies such as RFPs. There are other examples that I will not refer to tonight. This review has taken a lot of time, but now Members need to digest what has been said, what has been committed to and what has not been committed to. We need to ask where our Cabinet Members are falling down? Where are the short

comings other than tiredness? Where are the plans for the remainder of this Assembly?

On a personal note, I think this process has been very beneficial, enlightening and revealing for all Ordinary Members. While we have been very aggressive at times in our questioning, we have worked through two days of this process without raising a great deal of rancour. We have passed on our compliments where it was well deserved, such as the accolades paid to Mr. Antoine and Mr. Dent. On behalf of all the Members, I would like to thank the Ministers for their commitment to this process. Finally, I would like to thank Mr. Hamilton, the staff, the interpreters, the Ministers and their own staff for bearing with us. Thank you very much.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. I have Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. Even though Mr. Ootes kindly spoke on my behalf, I would like to add a few comments of my own. I can only hope that this has been a once in a lifetime experience. We started off with a lot of hype in the media and such and we have ended up with an exhausted whimper. If you look around, it has been an exercise in either endurance or attrition. We have not really reviewed, amended or changed our initial agenda of two years ago. We have had two marathon sessions of question period, many of which were fairly specific or constituency issues. Unfortunately, there was no clear resolution to issues like the Keewatin pipeline that was discussed tonight.

In my opinion, if I can focus this down for my own personal benefit and the benefit of the people I represent, I think our agenda from here on in should have two main priorities. We should be focusing all the available resources we have on our communities in the areas of employment and social issues. The other priority should be division and the smooth transition to April. For me and I hope for this Assembly, those will be two of our main priorities from here on in. Now we are all really tired, and we have earned what little rest we are going to get before we come back into this lovely place in a few short hours. Thank you very much.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. I have Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. I too would like to be brief. We have been here for many hours. I, too, would like to state that coming into this, we were focused on the Agenda for Change or that seemed to be the theme to start with. But to me we will go home and review the Hansard on some of our questions, and I think we could have done the same in question period and addressed it that way.

There has been some good work out of this though. I think we all have to ask what is good government. Good government is not just something we grade ourselves with. It is how we operate, the rules in the House that we proceed with, the conduct of Members as we discuss things or ask questions and receive answers. Good conduct and good government is how we as a government and how our Cabinet follow the rules and regulations set up by us. From some of the questions, we can all say that we in some areas fall short.

From here on out, we have to seriously ask ourselves, as people in the public will be, is this good government? As we heard Mr. Miltenberger say, there is probably a lot of people who were waiting for some big event. I think the big event here was a real eye opener, looking at the clock. It has been a long time since I have been up this late at night, or early in the morning, without being in trouble. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. I now have my honourable colleague from Iqaluit, Mr. Picco.

MR. PICCO:

Thank you, Madam Chair. I guess we spent a lot of time in Caucus trying to set the process for this review. If the people have a problem with the length of time it has taken, we are all collectively to blame in this consensus form of government for that. We did look at the times. We allotted the questions. We also set up the formula that we asked for. It was not something that was imposed on anyone. We all had a

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part to play in that during our Caucus decisions over the last couple of weeks until we got to this day.

I believe the review was done in a serious vein, in a serious light. I do not think it was perfect. Few things are. I think quite a bit of the information that came forward was good. Sometimes you get bogged down in the process of what is happening and not what

actually is happening, trying to bring out questions of accountability, trying to look at things in the common agenda that we talked about earlier, and hopefully looking at where we wanted to go as some of the other Members have talked about between now and April 1, 1999. For some in this House, they will continue on in this location.

I think we have been here now since 11:30 last night. We are here now almost 2:30 this morning. I think that would show anyone in the public that we took it seriously. But once you go this length of time, I think it starts to wear very thin and starts to slow down a little on your questions and also your answers. After saying that, I think Mr. Roland said maybe people are expecting a non-confidence or removal of a Minister or something like that and personally I did not see any need to go that far in the line of questioning tonight. But those kinds of hammers are always in place in any type of parliamentary system. Not having to use it is a good thing and it is a good commentary. Although we have varying opinions on different issues, I think we are all in here for the same reason, for the betterment of the people of the Northwest Territories and of Nunavut.

I would like to thank the Cabinet Ministers for gracefully putting up with a barrage of questions over the last couple of days. Some of them were being repeated and the Ministers were giving the same answers, and I respect them for that and I also respect my fellow colleagues tonight who hung in here with a good sense of humour and tried to do the job that we were elected to do, that is to keep the government accountable and hope for the public.

I also would like to thank the media. I know they stayed here. I do not know if they have been getting any meals or anything. I would like to thank the media for allowing us this opportunity. Someone must be watching somewhere. I would like to thank the media for staying with us and hopefully reporting on what has occurred.

To you, Mr. Hamilton, and your staff and to the Sergeant-at-Arms and to Mr. Steen for his good work in the chair. Mr. Steen, thank you very much. I appreciate the free flow of information and the facilitation that you endeavour to do. Thank you. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Closing comments. Mr. Steen.

MR. STEEN:

Thank you, Madam Chair. Madam Chair, it has been, I would say, a good two days and a long two days but it has been valuable to me. I would say that much. It has also been a valuable two years, up to now, working with the Members, Ordinary Members and with Cabinet. I find it a valuable experience. I am not as naive as I was the first day I came here. I realize that we did accomplish some of our agenda and we do have a ways to go. I hope that, along with the other Members I am sure, that the next two years are going to be more on a job creation agenda rather than on, reductions. If we are to take Mr. Todd, the Finance Minister's words as gospel, we should end up with a very small overall deficit.

I do not like to be looked at as the official opposition to Cabinet. I do not think that it is quite as productive as simply working with Cabinet, and I use question period simply as a way of getting information out from Cabinet to the public, rather than as the official opposition. I find it more productive, I think I am a little bit like Mr. Rabesca is that I do not ask that many questions, but I do a lot of listening. I do learn from the Members and from the questions and answers as to what exactly this government is trying to do.

I hope in the end that we accomplish and fulfil that agenda that we came up with at the start. Personally, I intend to work closely with Cabinet, Mr. Dent, Mr. Arlooktoo, Mr. Todd, the Premier, Mr. Kakfwi, Mr. Antoine, Ms. Thompson, and Mr. Ng. I intend to work with you people for the next two years or at least until your terms are up, closely and I hope that I can be of some assistance to the government in accomplishing our agenda. I thank the Members for your cooperation while I was trying to chair the meeting, especially Mr. Picco. With that, thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Steen. Closing comments. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. I seek unanimous consent to return to question period. I could not do it anyways. Madam Chair, I just wanted to indicate that we have come a long ways. We have done some of the things we wanted to do that we had indicated in the Agenda for Change. But we still have a long ways to go. We have a lot of problems. We still have to deal with the pay equity, still have forced growth, still have to try to

do something with the Northern Accord in my opinion, even though the Premier has indicated he does not want to whip a dead horse.

We still have to try to keep students going to post-secondary education with our shrinking dollars and with ever increasing numbers of students. We still have to deal with employment and investment strategies. I know we have implemented the Aurora Fund, but there are other investment strategies that we had worked on and still have to be completed and put into effect as well. We have to revitalize the Department of Personnel and some other independent monitoring agency to ensure that staffing is done fairly. We have to reinstitute a central switchboard so people can easily phone one another and get a hold of people; non-government people can phone a central place to easily get a hold of us and our staff. Certainly in the area of taking on aboriginal issues, there is a lot of work that needs to be done. I had indicated a couple of areas to the Ministers, one was the Treaty 8 tax-immunity area and also the commercial right to hunt and fish commercially, which should be treaty rights and which we are not recognizing and which we had indicated in the Agenda for Change that we would be respecting treaty and aboriginal rights. Madam Chair, as I said, we have come a long ways, but we still have a lot of work to do. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. I have Mr. O'Brien and Mr. Krutko. Mr. O'Brien.

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MR. O'BRIEN:

Thank you, Madam Chair. I will be brief. I would just like to thank the Ministers and my fellow MLAs for the questions and answers that were received for some of tonight. Madam Chair, I hoped that we accomplished more than just setting a time record here. I think we have. I guess only time will tell. I think if anything that I have realized out of the question and answers over the last few days is that it is important to keep things on the political level and keep away from the personal nature. With that, Madam Chair, I will say good night. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

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

MR. KRUTKO:

Thank you, Madam Chair. In regard to my observations of the review, in regard to the questions and concerns that were raised, in regard to the conduct of the Premier, Cabinet, in regard to the roles that we play as Members in relation to the committee structures, in regard to how we represent the public in general; I think one thing that we should never take for granted is that people who we represent, regardless if they are here in the stands or watching us at home or talking on the street, that it is them who we are here to represent. It is them who we are here to ensure that we be honourable colleagues and also respect the wishes of the people we represent. In this review and I do not know how you measure it in regard to a yard stick the good, the bad when you evaluate what happened here in regard to zero to ten.

Basically, how do evaluate the good and that bad things that we have said here. What is going to be done in concerns that raised and issues that we brought up? I think it is those issues and those concerns that we have raised in the last two days, is the measuring stick to this government. It is up to you as a government and ourselves as Members of this House to ensure that we do have good government, that we do represent our constituents and that we do be fair and equitable to all people. I think over the next couple of days and weeks, I am not too sure where we go from this process, but I think we have to come forth with a report from the regular Members back to this House either through a motion that we pass in this House or table a report to assess what went on here today so that it is not all for nothing.

I believe that we have to take the time now and step back and analyze what was done. But I think also the government has to take issues and concerns that we raised here seriously and they too have to review what took place here in the last two days. With that, Madam Chair, fellow colleagues, Premier, Members of Cabinet, I would like to thank you for the opportunity. Good night.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Closing comments. Mr. Henry.

MR. HENRY:

Thank you, Madam Chair. I realize we have certainly made a record here, and it is not to difficult to tell. The paper products in the bathroom are getting sadly short. Madam Chair, I found this exercise extremely beneficial. Mr. Steen talked much earlier tonight about concerns he had about going late. That tempers flare.

I did not see much indication of that at all, and I think that is an excellent way that people conduct themselves. For me, I appreciated the opportunity over the last couple of days because we spent so much time together, the opportunity to talk to different Members and Ministers and for me it was an opportunity to mend some fences and to realize that, I think Mr. O'Brien talked about it, that there should not be anything personal in it.

We are doing the best we can each one of us, and we should continue to do that. We spent two years putting our financial house in order and I think that is one feeling and desire that was unanimous when we came here. Now that we have that done and secured the financial future, at least for the people of the Northwest Territories, we can turn our attention to giving the residents of the Northwest Territories what I think they believe they need and want the most, and that is a reason for being and a reason for getting up in the morning in the form of employment. I believe we have those opportunities available to us now if we are diligent and handle it properly. I believe there are untold opportunities available to the people of the Northwest Territories. It is not going to happen over night. But I believe if we put a lot of effort into the next two years, we can ensure a better future for our people in the Northwest Territories and not just hollow words, hopefully with the opportunities that will be available in the diamond industry and oil and gas that is available. Now that Europeans have taken a different view of their furs, other people will be able to get employment in that sector.

I have appreciated the patience of all the Ministers. From my perspective, you have done yourself proud and very deserving of the confidence that we as Ordinary Members have placed in you. You have come through in flying colours and I certainly appreciate that.

To my colleagues, I certainly enjoyed this last couple of days. This has to be fun as well as productive. We certainly have had some fun too, in between the serious work. I am extremely proud to sit with every Member of the House. I would like to close by thanking all the staff for their patience and good work and the press. Thank you and good night.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Henry. Could there be any more closing comments? Does the committee agree that Tabled Document 1-13(5) in the matter Mid-Term Review is concluded?

SOME HON. MEMBERS:

Agreed

CHAIRPERSON (Mrs. Groenewegen):

Agreed. Thank you. These matters are concluded. What is the wish of the committee? Mr. Krutko.

MR. KRUTKO:

I was hoping that we could call Manitok Thompson so that she could conclude her presentation to this Assembly. Is that a possibility of that happening? I have one question for her.

CHAIRPERSON (Mrs. Groenewegen):

Mr. Picco.

MR. PICCO:

Thank you Madam Chairperson, I would move that we report progress.

CHAIRPERSON (Mrs. Groenewegen):

Thank you Mr. Picco. Your motion is in order. It is not debatable. All those in favour of the motion. Opposed. Motion is carried. I will now rise and report progress.

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MR. SPEAKER:

Good morning. The House will come back to order. Item 20, report of committee of the whole, Mrs. Groenewegen.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MRS. GROENEWEGEN:

Thank you Mr. Speaker, and good morning to you Mr. Speaker. Your committee has been considering the matter Mid-Term Review and Tabled Document 1-13(5) and would like to report progress with one motion being adopted and that the Mid-Term Review and Tabled Document 1-13(5) are concluded and, Mr. Speaker, I move that the report of the committee of the whole be concurred with. Thank you Mr. Speaker.

MR. SPEAKER:

Seconded by the Member for Inuvik. The motion is in order. To the motion. Question has been called. All

those in favour. All those opposed. Motion is carried. Item 21, third reading of bills. Item 22, orders of the day, Mr. Clerk.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, orders of the day for later on today, Friday, October 24, 1997:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
 - Bill 5, An Act to Amend the Financial Administration Act, No. 2
 - Bill 7, An Act to Amend the Territorial Court Act
18. Second Reading of Bills
19. Consideration in Committee of the Whole Bills and Other Matters

- Bill 3, An Act to Amend the Financial
Administration Act

- Bill 4, An Act to Amend the Elections Act

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

MR. SPEAKER:

Thank you, Mr. Clerk. By the authority given to the
Speaker by resolution 3-13(5), this House stands
adjourned until 11:00 a.m., Friday, October 24, 1997.

--ADJOURNMENT