



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

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Day 10

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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, 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.

DEPUTY SPEAKER:

(Mr. Ningark): Thank you, Mr. Arlooktoo. The Speaker, Mr. Gargan is in his constituency today attending a funeral. Our condolences go the community of Kakisa. Orders of the day. Item 2, Ministers' statements. Mr. Arlooktoo.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 24-13(5): Accelerate Homeownership Program

HON. GOO ARLOOKTOO:

Mr. Speaker, I am pleased to speak today about the new housing initiative raised by my colleague, the Honourable John Todd in his budget speech. The Accelerated Homeownership Program initiative is estimated to provide approximately 1,000 new homes. The initiative could inject an estimated \$40 to \$50 million of housing to meet the immediate demands of homeownership assistance over the next two years. This initiative builds upon the PLAN 2000 initiative announced last year.

The Accelerated Homeownership Program will be directed toward all northerners who can afford to be homeowners. This initiative will utilize the Housing Corporation's Expanded Downpayment Assistance and Independent Housing Programs to allow even more clients to be served in a shorter time period.

There are a number of benefits under this initiative:

The increased ability to serve even more clients under the corporation's Expanded Downpayment Assistance and Independent Housing Programs. These programs have been very popular, with the number of applications significantly exceeding what the Housing Corporation can provide; and

Low income families in the north will have the opportunity to move into social housing units made available by higher income tenants who become homeowners. Also, any GNWT staff housing units made available because the occupants choose to be homeowners will be transferred to social housing thus increasing the social housing stock.

The construction of the 1,000 homes will produce economic spinoffs, particularly jobs, in the communities. The most important benefit, however, will be the health and stability of families in need who receive housing units as former higher income tenants move into their own homes.

Mr. Speaker, the 1996 housing needs survey showed that there was a core housing need of over 4,300 households, many of these are aboriginal families. The Department of Indian Affairs, while commenting on the severe housing need, did not make any commitments to help solve the housing problems in the north in their response to the Report of the Royal Commission on Aboriginal Peoples. Mr. Speaker, I have to say that I was very disappointed; this is an aboriginal housing problem. I plan to continue my efforts to make this point with the federal government, focusing on the fact that investments in housing in the North will play a large part in curbing the growing aboriginal health and social problems.

Mr. Speaker, we know that adequate, suitable and affordable housing is important to the north because overcrowding and inadequate housing conditions are the root cause of many of our health and social problems. The GNWT decided we cannot wait for the federal government to provide assistance to deal with our growing housing problem. Therefore, the GNWT has stepped in to provide innovative solutions now before we have a problem that goes beyond a crisis.

DEPUTY SPEAKER:

Thank you. Ministers' statements. Mr. Todd.

Minister's Statement 25-13(5): Aurora Fund

HON. JOHN TODD:

Mr. Speaker, I am pleased to provide Members with an update on the status of the GNWT's two Immigrant Investor Funds.

Aurora Fund (1996) is fully subscribed. One hundred and thirty nine investors have signed subscription agreements and made deposits to the fund ranging between \$10,000 and the full subscription price of \$250,000. Fifty-six investors have provided the full subscription price. Of those, the Aurora Fund

Page 334

has issued notes to 47 investors, which means that a total of \$11.75 million has been received by the fund.

Of that amount, approximately \$7.8 million has been loaned to the following northern companies:

- 3370755 Canada Inc, operating as West Air, in Hay River for the purchase of an aircraft;
- AADRII Limited in Fort McPherson for the construction of a waste heat distribution system;
- GDC Air Leasing Ltd. in Inuvik for the purchase of an aircraft;
- The NWT Cooperative Business Development Fund for the upgrade of digital telecommunications equipment throughout the NWT;
- The Shoe Store Limited in Yellowknife for the purchase of an aircraft;
- 943637 NWT Limited/Beaver Enterprises (Const.) Ltd. in Fort Laird for the purchase of remote camp equipment;
- 2755084 Canada Inc. in Yellowknife for the purchase of helicopters.

This is excellent news, since the companies who have received funding from the Aurora Fund have provided new jobs for northerners.

Out of the balance of the funds received, approximately \$3.95 million, \$2.45 million has been temporarily invested in bonds and other liquid assets and approximately \$1.5 million has been expended in marketing, sales fees and initial start-up costs.

Aurora Fund (1996) should shortly be in a position to issue notes to an additional nine investors, providing \$2.25 million to the fund, of which \$1.6 million will be available for lending to northern companies

Aurora Fund II has also been very successful to date. So far, the fund has received signed subscription agreements from 136 investors who have made deposits ranging from \$10,000 to the full subscription price of \$250,000. Of the 42 investors who have now transferred the full subscription price, 17 have received Aurora Fund II notes. Three point nine million dollars has been transferred to the Aurora Fund II investment account as well \$260,000 has been expended in marketing, sales fees and initial start-up costs. Of the \$3.9 million in the investments account, \$2.8 million is available to provide loans to northern business. Aurora Fund II should shortly be in position to issue notes to an additional 25 investors, providing \$4.25 million to the fund, of which \$3 million will be available for lending to northern companies.

Recently, Citizenship and Immigration Canada announced an extension to the current Immigrant Investor Program. The Aurora Fund II has applied for and received permission to extend the marketing period of Aurora Fund II to June 30, 1998 from December 31, 1997. This extension should allow the fund ample time to sell out the fund, and the majority of the subscription proceeds should be received from both funds by that time.

The two Aurora Funds are government-administered venture capital funds. Therefore, the federal government requires a certain amount of supervision of these funds by our government. To this end, the board of directors of the two funds include: two Ministers of the government, myself and the Minister of Resources, Wildlife and Economic Development and three senior government officials, the Comptroller General and the deputy ministers for the Department of Resources, Wildlife and Economic Development and the Department of Justice. In addition, three individuals from the private sector are also board members, a commercial banking representative and two independent business persons residing in southern Canada. Each of the three has vast experience in the banking sector of the Canadian economy.

Since the Aurora Funds have no full-time employees, firms under contract with the funds are responsible for the administration of the fund. Roland C. Bailey and Associates is the NWT investment manager for both funds and also manages the day-to-day activities of both funds.

The funds also contract, on a fee for service basis, for the legal services from Gullberg, Weist and

MacPherson and auditing services from Avery, Cooper and Associates.

I am pleased with the success to date of these two funds. I am confident that they will continue to be successful and that the benefits provided by these funds will be felt for many years to come. Thank you.

DEPUTY SPEAKER:

Thank you. Ministers' statements. Mr. Ng.

Minister's Statement 26-13(5): 1999 International Year of Older Persons

HON. KELVIN NG:

Thank you, Mr. Speaker. I would like to announce progress on plans for 1999, the International Year of Older Persons.

In 1992, the United Nations General Assembly decided to observe the year 1999 as the International Year of Older Persons. The theme it chose was Toward a Society for all Ages with the overall objective to promote the UN Principles for Older Persons: independence, participation, care, self-fulfilment and dignity.

In June, 1996, federal, provincial and territorial Ministers responsible for Seniors agreed they would work cooperatively

Page 335

to develop partnerships with the private sector and seniors to market 1999 as the International Year for Older Persons. The Ministers proposed that a Canada Coordinating Committee, comprised of representatives from each jurisdiction be established to stimulate and coordinate national projects and activities.

A territorial coordinating committee has been spearheaded by the NWT Seniors' Society to assist in the planning and coordinating of activities for celebration of the International Year of Older Persons.

Mr. Speaker, I wish to encourage my colleagues to support the activities that will be forthcoming to celebrate the seniors of the Northwest Territories in 1999. Thank you, Mr. Speaker.

DEPUTY SPEAKER:

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

ITEM 3: MEMBERS' STATEMENTS

Member's Statement 91-13(5): Thoughts of Igloodik Suicide Victim

MR. EVALOARJUK:

(Translation) Thank you, Mr. Speaker. I would my colleagues, to think about a person that is presently being buried in Igloodik. This person committed suicide and has lost a lot of relatives in the past. I just want to tell the Members to think about the family in Igloodik. (Translation ends)

DEPUTY SPEAKER:

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

Member's Statement 92-13(5): Boarding Facilities in Iqaluit

MR. BARNABAS:

(Translation) Thank you, Mr. Speaker. I will be speaking in Inuktitut. Just recently I spoke with people in my constituency, and people approached me with concerns about billeting procedures in Iqaluit. Mr. Speaker, there is a boarding home for students going to college. Mr. Speaker, recently people travelling in the Baffin to go to the hospital had to find their own billets or had to find their own boarding homes, and if a person was going to Iqaluit to have a child, they would have to make their own arrangements or billets. We are glad that there is a boarding home now available to these patients. Mr. Picco is aware of the concerns and he is aware of those people who opened their homes to the people who travelled to Iqaluit. I would also visit Mr. Picco. He also had people from Clyde River and from other communities stay with him. There is a boarding home available now in the Baffin, and we are very happy with this. When I talk to the people who travel to Iqaluit for health reasons, they are very happy with the boarding home. They are able to eat traditional food in the home. They are being very well taken care of. I just wanted to speak today to say that we are very happy that the Department of Health was able to put in a boarding home in Iqaluit. I would also like to recognize the people that took in patients before the boarding home was open. Thank you. (Translation ends)

DEPUTY SPEAKER:

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

Member's Statement 93-13(5): State of the Northern Mining Industry

MR. OOTES:

Thank you, Mr. Speaker. Mr. Speaker, over the next few days, I will be talking about the state of the northern mining industry and the need for us to have DIAND accept its responsibility to maximize northern development. The northern gold mining industry is in a devastating tail spin. In the past, when major regional industries have struggled, the federal government has jumped in to help keep the local economy alive. I use, as an example, mining in southern Canada. I understand in the 1980's some \$150 million was poured into companies like Inco and Noranda to help them modernize and remain viable. Another example is the Atlantic fishery. In the early 1990's, Ottawa contributed a half billion dollars to Newfoundland and the Atlantic region when fish stocks dwindled. The money was used as short-term aid for communities affected by the closures and to help workers to adjust to the new circumstances. Such regional aid is provided because of section 36 of the Canadian Constitution, which contains an amelioration clause whereby the Government of Canada is committed to furthering economic development to reduce disparity of opportunity. In a recent publication by the federal government, called Gathering Strength on page 35, Ottawa commits itself to build a stronger economic base for the north. Let us take the federal government up on the obligation under section 36 of the constitution and their commitment in Gathering Strength. For starters, they can provide exploration incentives to the northern mining industry, at least until the price of gold reaches a profitable level. It would be good if Minister Kakfwi and DIAND Minister Jane Stewart pursued this proposal. Without exploration, there will be no sustainability for existing mines, nor expansion or development of new sites. That will leave the northern economy without any suitable base from which to build. Thank you, Mr. Speaker.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. Ootes. Members' statements. The Member for Iqaluit, Mr. Picco.

Member's Statement 94-13(5): Emergency Response Services at Northern Airports

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, in this House and accumulating with the removal of ERS airport response in Iqaluit and other communities, I continue to oppose the elimination of ERS or emergency response at those airports. ERS was removed because the Department of Transportation followed federal guidelines which indicated

Page 336

did not have the money to continue to offer the services. Through cooperation with Minister Antoine and Minister Thompson, our fire department received training and some equipment to respond to airport emergencies. After our Department of Transport commissioned a study on ERS in Iqaluit, and after I also commissioned a report to review the government's report, all indicators pointed to the redundancy of ERS in our community, based on those current federal regulations. Mr. Speaker, a couple of months ago in New Brunswick, the question of ERS again was raised when there was an accident in that province. I now understand that a meeting was held in Ottawa last week with the federal Department of Transportation that may impact on readdressing the ER services and it may have a impact here in the north, and in particular at the Iqaluit airport. Mr. Speaker, the GNWT was represented at these meetings in Ottawa and later today I will be asking the Minister about the Ottawa meetings and the emergency response at the Iqaluit airport and the navigation system in place there. Thank you, Mr. Speaker.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. Picco. Members' statements. Mr. O'Brien.

Member's Statement 95-13(5): Keewatin Health Care Concerns

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, as all Members of this House realize, the Keewatin people are experiencing the collapse of the health care system and are basically living under third world conditions. Mr. Speaker, most Ministers and Ordinary

Members have publicly acknowledged the horrendous state and the need for immediate and drastic changes to the system. Mr. Speaker, I have numerous calls from residents of Arviat and the president of KIA, the Keewatin Inuit Association, referring to statements that were made in this House yesterday by the Premier. Mr. Speaker, I sincerely hope these comments are not indicative of how serious the Premier takes the health care concerns of the people of the Keewatin.

Mr. Speaker, in an exchange with Mr. Steen, the Premier stated and I quote, "I believe health care in the Keewatin is quite adequate. I believe the Minister handled it well, and once again, he has my full support and that of his Cabinet colleagues." Mr. Speaker, I realize that the Premier has been away in Latin America on a trade mission for the past ten days, but he certainly has not been away for the past ten months. Mr. Speaker, the very critical issue has been raised by the majority of the residents of the Keewatin, medical staff, nurses, hamlet councils, the president of the KIA, president of NTI, the NWT Association of Nurses and the NWT Medical Association, and finally Mr. Speaker, approximately six months ago I requested a full public inquiry into the activities and operation of the Keewatin Health Board. Unfortunately, it was refused by the Commissioner of the Northwest Territories after consulting with the Premier. Mr. Speaker, in view of the health care crises in the Keewatin, I would suggest that all is not hunky dory and well in the Keewatin. Thank you.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. O'Brien. Members' statements. Mr. Rabesca.

Member's Statement 96-13(5): Municipal Funding Formula Inequities

MR. RABESCA:

Thank you, Mr. Speaker. Mr. Speaker, I rise in this House in total frustration. The reason for this, Mr. Speaker, is really quite simple. Over the past many months, my community of Rae-Edzo has identified many short comings within the current municipal funding formula which has had detrimental effects on the way the hamlet operates. Months ago, the hamlet produced a report that in summary states the current formula does not give my community its fair and

equitable share of the available funding and, in fact, proves that Rae-Edzo is one of the lowest funded non tax-based municipalities in the NWT. In reviewing this document, I could not believe the injustice that has been on going.

I give an example, under the general Government's Services Department the Hamlet of Rae-Edzo received \$143,306 a year in a community of 1,615 residents. In comparison, the community of Sachs Harbour with 137 residence receives \$148,593 for the same department. Is this fair and equitable?

Over the past months the mayor of Rae-Edzo and myself met with Ms. Thompson during the community tours prior to Christmas. Ms. Thompson came to Rae-Edzo and was given a tour of our community by the mayor. The meeting that took place at that time I was told went very well. We thought things were moving in the right direction. The Department of MACA does realize there are problems with the funding formula in Rae-Edzo and are committed to doing something about it, which is fine. However, we have been told that this work will not be completed until possibly September or October which is too late and will not fulfil the commitment that Ms. Thompson has made to my mayor. We need action now, and not eight months from now. I would, at this time, like to remind the Minister that over the course of our term, I, along with my constituents, have supported her and have never been negative towards her initiatives. It is now time for her to come forward and assist my community in solving the problems that have been put upon them by this and previous governments over the years. Thank you, Mr. Speaker.

--Applause/Hear! Hear!

DEPUTY SPEAKER:

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

Member's Statement 97-13(5): High Temperature Heating System in Inuvik

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, I would like to start by sending greetings back to my wife and all my children. I have so many. Thank you, Mr. Speaker. I could make reference to the Bible on that but I will not. It says, those who are plentiful are blessed. Mr. Speaker, I would like to in my Member's statement discuss the issue of the high

temperature system in Inuvik. This utilidor system, for quite some time, has been a concern to the residents of Inuvik, with the cost of the system and the bills we have to pay. Mr. Speaker, I am glad to say and I am almost shocked to say that I have good news for the community of Inuvik, and contractors that would benefit from this.

The Financial Management Board has seen fit to see that this system does need repair and work. I am glad that some funding will be sent this way, so I am thankful to the government. I will be following this up with a letter to the mayor of my community, as well as other representatives for the community of Inuvik, and inform them of the positive situation we may find ourselves in and that we will finally be able to take care of the high temperature situation in Inuvik that we can provide for residents and, hopefully, reduce the cost of the facility and the delivery of services in the community. Once again, I would like to thank the government for favourably looking at this proposal and I am sure that this money committed for 1998 will go a long way in repairing the system.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. Roland. Members' statements. Mr. Miltenberger.

Member's Statement 98-13(5): Pay Equity Dispute

MR. MILTENBERGER:

Thank you, Mr. Speaker. I would like to rise today to speak briefly on the issue of pay equity which is a very critical issue and one, I hope that can be resolved in an affordable way. The reason I rise today, Mr. Speaker, is just to make a point on behalf of my constituents.

We all know in the last two years the government has had to cut almost \$200 million out of its budget and it cost us almost 1,000 jobs eliminated, program and service reductions across the board for all residents.

The issue of pay equity, of course, is of great concern to many northerners. From what I have heard from sources outside of this Assembly, what is being asked for exceeds the magnitude of the cuts we had to endure for two years in order to balance our budgets. Very clearly, Mr. Speaker, I want to make the point on behalf of the residents of Thebacha that we cannot

afford or sustain another round of cuts of that magnitude. What we have done has cost us and all northerners, what only can be described as blood, sweat and tears.

I would hope and encourage this government and the union, in fact, to come to a common agreement that all northerners can afford, so that we can move on to other more pressing issues and finally, after ten years, put this issue behind us in an affordable way. Thank you.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. Miltenberger. Members' statements. The honourable Member for Hay River, Madam Groenewegen.

Member's Statement 99-13(5): Questions and Answers in the Legislative Assembly

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. Mr. Speaker, if I could give my Member's statement a title today, it would be the great dilemma. To ask or not to ask, to speak or not to speak, to be or not to be.

It is possible to do this job and say very little. My predecessor only made 14 Member's statements in eight years and asked relatively few questions in this House. If one has the good fortune of looking reasonably intelligent, I suppose they could earn the admiration and respect of their colleagues and the public by just being.

Lately, I have been trying to bring questions to this House that I truly believe the public is interested in knowing the answer to. There are inherent risks in our style of consensus government of asking too many questions.

Without a party system, the strategy for bringing about accountability and transparency is more convoluted than one might imagine. Although we speak of the privilege every Member has, to investigate and make statements about matters of public concern and the dignity we enjoy as Members which carries with it the privilege to be free from unwarranted interference, it is not quite that simple.

Since every Member sits as an independent, people could construe your questions to be motivated by a very personal, devious or untoward agenda. If the

person being questioned suspects this and takes the questions as a personal affront, the whole process begins to deteriorate. So for the record, Mr. Speaker, after weighing out the pros and cons of speaking or not speaking, I have decided that in spite of the risks to me personally, or politically, it is worth it. It is worth it because this is a public government. This is the people's government. The money we have spent are the people's money. The people have the right to know.

In case you think I embark on this mission of accountability and transparency lightly, I assure you I have considered the consequences. We are a small group of legislators here and it is human nature to want to avoid confrontation and to be liked by the people you work with.

In spite of the warnings and admonitions with the accompanying details of what might happen to me if I do not adhere to this advice, I will continue to ask questions in public, in the hopes of upholding the confidence of my constituents and the public in this government.

Mr. Speaker, I would like to offer my compliments to my friend Mr. Todd today on his Minister's statement entitled the Aurora Fund. Thank you, Mr. Speaker.

DEPUTY SPEAKER:

Thank you, Madam Groenewegen. Members' statements. The honourable Member for Baffin Central, Mr. Enuaraq.

Page 338

Member's Statement 100-13(5): Condition of Fire Suppression Equipment

MR. ENUARAQ:

Thank you, Mr. Speaker. I am going to be talking in Inuktitut. (Translation) Thank you, Mr. Speaker. Mr. Speaker, I would like to discuss fire trucks within the communities of the Northwest Territories, particularly within the northern communities. It is not only in Clyde River, but also in other communities. Fire trucks and fire vehicles are not always in good running condition in the winter.

For instance, I will use this as an example, in the last few years in Clyde River the garage in the community caught on fire. When the fire brigade was called upon, they used a fire truck. They had a hard time putting the fire out due to the hose being frozen within

the truck. The garage was on fire and it burnt right to the ground due to the fact that they had difficulties with the fire truck. So, I would just like an awareness of this matter be made, that we have problems, especially in the winter time when they have to use fire trucks. When the time comes up during question period, I will be questioning the Minister regarding these fire trucks. Thank you, Mr. Speaker. (Translation ends).

DEPUTY SPEAKER:

Qujannamiik, Mr. Enuaraq. Members' statements. The honourable Member for Yellowknife South, Mr. Henry.

Member's Statement 101-13(5): Benefits from Federal Diamond Royalty Regime

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, over the past weekend I listened to an interview on CBC radio with the Honourable Paul Martin, the federal Minister of Finance, in which he categorically stated if the proposed merger between the Royal Bank and the Bank of Montreal was not in the best interest of all Canadians, his government would not let it happen. I sincerely hope, Mr. Speaker, when the federal government introduces its new mineral royalty regime on diamonds they also act in the best interest of all Canadians, specifically, northern Canadians.

We have to work hard to make the federal government agree that as much of the value-added industry that is associated with diamond mining as possible stay in the Northwest Territories.

The honourable Mr. Todd and Mr. Kakwi are no doubt working hard to convince the federal government that we deserve a large share of the royalties from this diamond play.

I would remind the federal government and particularly, Jane Stewart of DIAND, of the Western Australia State Legislature, an act of legislation that compelled the diamond mining company to perform a significant portion of the value-added components in Australia.

Mr. Speaker, I strongly believe that it is imperative we work together at all levels of government to make sure as many benefits as possible from the diamond mines stay in the north.

What the federal government has to realize is, the sooner we have a tax-base and a viable economy here in the north, the sooner it will be possible for us to reduce the transfer payments we need presently to operate. The sooner we have a viable economy, the sooner we can accept the mantle of provincial status and become truly, the masters of our own fate. Thank you, Mr. Speaker.

--Applause

DEPUTY SPEAKER:

Thank you. Members' statements. I have the honourable Member for Mackenzie Delta, Mr. Krutko.

Member's Statement 102-13(5): GNWT Office Lease Policy

MR. KRUTKO:

Thank you, Mr. Speaker. I stand today in regard to the whole question of office space and the aspirations that aboriginal groups have of possibly being owners of real estate in Yellowknife and looking at the potential Yellowknife has to offer in that area and being told, time and time again this government is not open to that possibility, to any long-term leases. Basically, the arrangement which will be looked at is a month-by-month lease. Yet we hear in this House, there are new organizations on the block who seem to be operating on a new ball field, which seems to have its own rules which apply to certain groups. Yet regarding the Gwich'in Tribal Council who has made several attempts to this government to look at the Laing Building and look at the possibility of purchasing it with the idea of a long-term lease, being told that was not acceptable by this government. We hear of a similar arrangement of a purchase regarding the Lahm Ridge Tower in which they received an eight-year lease in the area of \$9.5 million. So, it makes me wonder exactly whose rules are we playing under? Basically, it all depends on who the players are. I think when we talk about an open government and a public government to the people we represent, we have to also take in mind who are we accountable to. I think at the end of the day, it is who pays for these long-term leases regarding the creation of two new territories and the cost to the new governments after division, also, the cost of administering services to both governments and taking on new debts which is crucial in our period of time with regard to one year before division.

I think we have to ask ourselves, can we afford these decisions at this time in regard to finding new ways of purchasing items or getting ourselves locked into long-term leases? Thank you, Mr. Speaker.

--Applause.

DEPUTY SPEAKER:

Thank you, Mr. Krutko. Members' statements. Any further Members' statements? Mr. Arlooktoo.

Member's Statement 103-13(5): Kimmirut request for an Arena

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. Later today I will be tabling a petition from my constituency from the community of Kimmirut urging the Minister of MACA to

Page 339

consider once again, the issue of building an arena for the community.

The community has been asking for an arena for the last 15 years. I am the third MLA who has been tabling letters and petitions in this House for an arena. We have seen many, many communities that have gone ahead of Kimmirut in getting an arena. We have seen our arena in the capital projects plans for years, only to be delayed for many more years.

We are once again asking the Minister of MACA and the Government of the NWT to consider perhaps, as one of the P3 projects, the issue of a community arena in Kimmirut and I will be pleased to table the petition later today.

DEPUTY SPEAKER:

Thank you, Mr. Arlooktoo. Members' statements. Before we move on to Item 4, returns to oral questions, I would like to recognize in the public gallery, the Interim Commissioner for Nunavut, Mr. Anawak.

--Applause

Thank you. Members' statements. Mr. Antoine.

Member's Statement 104-13(5): Passing of Kakisa Elder - Johnny Providence

HON. JIM ANTOINE:

(Translation) I am going to be saying this in Slavey. Today an elder from Kakisa Lake has passed away. His name is Johnny Providence. He died last week and his funeral is today. There are a lot of people that went to Kakisa to attend his funeral. The elder has lived in that community for many years, so a lot of people would have attended this funeral to pay their respects to him and his family. Honourable Sam Gargan, being the MLA for this area, has also attended the funeral. I myself have known this elder for a few years, and I would like to say this in honour of him and his family. Thank you. (Translation ends)

DEPUTY SPEAKER:

Thank you, Mr. Antoine. Our condolences go to the family of the deceased. Members' statements. Item 4, returns to oral questions. Madame Thompson.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Oral Question 76-13(5): Lottery Licensing Policy

HON. MANITOK THOMPSON:

Mr. Speaker, I have a return to an oral question asked by Mr. Krutko on January 22, 1998 on the Lottery Licensing Policy.

Current regulations under the Lotteries Act outline the requirement for the sale of nevada or pull tickets. These can be sold only during the course of running an actual licensed bingo or casino event. The regulations also allow for the sale of nevada or pull tickets by charitable organizations that sell from a private clubroom or for a community broadcasting society registered under the Societies Act. The Midway Lake Music Festival did not meet these requirements and as a result could not sell nevada or pull tickets.

Several groups, including Midway Lake Music Festival, had made requests to the department that these regulations be changed as they did not reflect the needs of many non-profit organizations.

In response to requests from these organizations, the department had previously been working towards a solution. After reviewing the regulations, the department is making changes that will better meet the needs of non-profit groups. New regulations, which I expect will be in place within one month, will allow organizations, such as the Midway Lake Festival, to sell nevada or pull tickets at the radio

station during the day their licensed bingo is scheduled. Thank you, Mr. Speaker.

DEPUTY SPEAKER:

Thank you, Madame Thompson. Returns to oral questions. Item 5, recognition of visitors in the gallery. Mrs. Groenewegen.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MRS. GROENEWEGEN:

Thank you Mr. Speaker. It is a pleasure today to recognize Mayor Jack Rowe from Hay River in the gallery.

--Applause

DEPUTY SPEAKER:

Welcome to the Assembly. Recognition of visitors in the gallery. Ms. Thompson.

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Today I would like to recognize three ladies in the gallery, two from my riding, Sibina Paniyuk and Monica Angotealuk from Coral Harbour and also Lena Angoo from Rankin Inlet.

--Applause

DEPUTY SPEAKER:

Thank you. Welcome to the Assembly. The honourable Minister Antoine.

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize some of my constituents in the gallery today. Chief Rita Cli of the Liidli Koe First Nations and Mr. Robert Hardisty who is also of the Liidli Koe First Nation and the general manager for the Liidli Koe Construction Association.

--Applause

DEPUTY SPEAKER:

Thank you. Welcome to the Assembly. Recognition of visitors in the gallery. Mr. O'Brien.

MR. O'BRIEN:

Thank you Mr. Speaker. I would like to recognize on behalf of the Nunavut Caucus, Mr. Jack Anawak, the Interim Commissioner for Nunavut.

--Applause

Page 340

DEPUTY SPEAKER:

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

MR. PICCO:

Thank you, Mr. Speaker. It gives me great pleasure to welcome Mr. Ben McDonald, from the Union of Northern Workers to the gallery today.

--Applause

DEPUTY SPEAKER:

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

HON. STEPHEN KAKFWI:

Mr. Speaker, I wish to recognize a constituent, Mr. Vital Manual from Fort Good Hope.

--Applause

DEPUTY SPEAKER:

Thank you. Welcome to the Assembly. Recognition of visitors in the gallery. Item 6, oral questions. Before we begin question period, I would like to remind all Members that the rules allow the Members to have a preamble for initial questions. The subsequent three supplementary have no preambles because we allow you to make the preamble in your initial questions. In order to make maximum use out of the question period in order to allow each and every Member who wish to ask questions please respect the rules. Thank you. Oral questions. Mr. Picco.

ITEM 6: ORAL QUESTIONS

Question 108-13(5): Airport Firefighting Services in Smaller Communities

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, just referring back to my Member's statement, I understand that

last week in Ottawa, Transport Canada had a meeting to discuss the requirements for on-sight firefighting at small airports in Canada. I also understand that the Minister had represented us at that meeting. Could the Minister provide this House with an indication of what happened at the meeting and an indication of what Transport Canada plans to do about the lack of firefighting services at Canada's small airports like Iqaluit?

DEPUTY SPEAKER:

Thank you, Mr. Picco. The Minister of Transportation, Mr. Antoine.

Return To Question 108-13(5): Airport Firefighting Services in Smaller Communities

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, yes, there was a meeting in Ottawa last week and I had representation from the Department of Transportation there. This meeting was hosted by the federal government, Transport Canada, and there was discussion about on-sight firefighting requirements at airports that are not now required to provide this service under the new Canadian aviation regulations. There was a working group that was set up. Their task was to study and make recommendations concerning the need to regulate the provisions of on-sight firefighting services at small airports across the country. There was an agreement by all stakeholders that the terms of reference be developed for this working group. Thank you.

DEPUTY SPEAKER:

Thank you. Supplementary, Mr. Picco.

Supplementary To Question 108-13(5): Airport Firefighting Services in Smaller Communities

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, is it possible to have the terms of reference for that small working group that the Minister just mentioned tabled in this House for review for the Members?

DEPUTY SPEAKER:

Thank you. Mr. Antoine.

Further Return To Question 108-13(5): Airport Firefighting Services in Smaller Communities

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, yes. Once the terms of references are developed and I have copies of them I will make them available to this Legislative Assembly for review. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. Picco.

Supplementary To Question 108-13(5): Airport Firefighting Services in Smaller Communities

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, as I said earlier in my preamble to the question on my concern with the ERS and the navigation aids, I wonder if the Minister could correlate between the ERS and the navigation aid problem that we are having right now in our community?

DEPUTY SPEAKER:

Thank you. The Minister of Transportation, Mr. Antoine.

Further Return To Question 108-13(5): Airport Firefighting Services in Smaller Communities

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, I am not too clear on the honourable Member's question, but in regard to the ERS, there are specific interests of municipalities at this meeting here. There were the fire chiefs as well as the fire marshal's offices were involved in this meeting here. I would like to ask the honourable Member to see if he could clarify that question and I will try to be more specific. Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Picco, could you please clarify the question for the Minister?

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, for about three weeks we have had problems with our navigation aids and because of ERS they have to respond to the problems with the navigation aid in Iqaluit, the BRHS system which allows planes to land and take off. So I was asking the Minister about the navigation aids with the ERS service because that is

the question I am asking on the ERS and the response that the fire department will have to respond to the problems with the navigation aids. Thank you.

Page 341

DEPUTY SPEAKER:

Thank you. Mr. Antoine.

Further Return To Question 108-13(5): Airport Firefighting Services in Smaller Communities

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the original question was about the meeting in Ottawa and the ERS. On that one there is going to be some ongoing discussion. Like I said, the working group is going to be set up to look into providing on-sight firefighting services but that is sometime into the future. In regard to the immediate problem of the navigation aid in Iqaluit, it is really the responsibility of NAV Canada, which is an independent corporation apart from the federal and GNWT government. For this one here, we have been on the case of NAV Canada to see whether they could speed up fixing this navigation aid. I am told that the quickest that they could do it might be the middle of next month or early next month, which is not very suitable for us. There is no problem at the airport per se in Iqaluit. It just means that the airline companies have to take a different approach when they are landing. So there is a problem now at the airport, but it is manageable and we are asking NAV Canada to see whether they can speed up their service of making sure that this navigation aid is working in the proper way that it is supposed to. Thank you.

DEPUTY SPEAKER:

Thank you. Final supplementary, Mr. Picco.

Supplementary To Question 108-13(5): Airport Firefighting Services in Smaller Communities

MR. PICCO:

Thank you, Mr. Speaker. I wonder if the Minister could inform the house when he thinks it would be possible to know if ERS services and the regulating chains by the federal government which took the ERS services away from our airport, when the Minister would know if the regulations change if they are going to put ERS back in Iqaluit for example? Thank you.

DEPUTY SPEAKER:

Thank you. The honourable Minister, Mr. Antoine.

Further Return To Question 108-13(5): Airport Firefighting Services in Smaller Communities

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, this working group that I mentioned earlier that is looking into this on-sight service at smaller airports, again the terms of reference are being developed and once they are developed this working group will get to work. Just for your information the Government of the Northwest Territories has two representatives in this working group, one from the Department of Transportation, the other one from the fire marshal's office. If the Canadian aviation regulations are going to be amended to make it mandatory for these services to be provided, then the government will have to look at this situation. I remain very concerned that we will be unable to afford the cost associated with providing these services to the smaller airports here in the Northwest Territories. If there are amendments to the regulations to get us to provide these services, then we will have to look at ways on how we could recover these costs, perhaps from the air carriers. These things we still have to discuss and look into. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. The honourable Member for Baffin Central, Mr. Enuaraq.

Question 109-13(5): Firefighting Equipment Inspections

MR. ENUARAQ:

(Translation) Thank you, Mr. Speaker. Like I said in my Member's statement earlier on about the problems we have with the fire extinguishers in my constituency, I would like to ask the Minister of MACA, Manitoq Thompson, how soon will MACA check the fire extinguishers? (Translation ends)

DEPUTY SPEAKER:

Thank you. The Minister of Municipal and Community Affairs, Madame Thompson.

Return To Question 109-13(5): Firefighting Equipment Inspections

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Mr. Speaker, can the Member please clarify specifically which community he is talking about.

DEPUTY SPEAKER:

Thank you. Mr. Enuaraq, can you please clarify the specific community that you are referring to?

MR. ENUARAQ:

(Translation) Thank you, Mr. Speaker. I would like to say Clyde River, Broughton Island and Pangnirtung. (Translation ends)

DEPUTY SPEAKER:

(Translation) Thank you, Madame Thompson. (Translation ends)

HON. MANITOK THOMPSON:

(Translation) Thank you, Mr. Speaker. MACA, at the regional office in Iqaluit, when they get information from the hamlet, a specific hamlet, they go to the community to check out what the problem is. I just wondered whether the Member's constituency has written to MACA in Iqaluit and I will get back to him with a response. (Translation ends).

DEPUTY SPEAKER:

(Translation) Thank you, Ms. Thompson. Thank you, Mr. Enuaraq. (Translation ends)

Supplementary To Question 109-13(5): Firefighting Equipment Inspections

MR. ENUARAQ:

(Translation) Thank you, Mr. Speaker. I would like to ask a supplementary question to the same Minister. Is the fire hall getting budgeted money from the Minister's department? (Translation ends)

DEPUTY SPEAKER:

(Translation) Madame Thompson. (Translation ends)

Further Return To Question 109-13(5): Firefighting Equipment Inspections

Page 342

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Yes, we do.

DEPUTY SPEAKER:

Thank you. I have been informed that the response by the honourable Minister for MACA was not on the record. Would you please repeat your response? Thank you.

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. I am sorry, I did not see the microphone on. Yes, we do that.

DEPUTY SPEAKER:

Thank you. Oral questions. I have the honourable Member for Thebacha, Mr. Miltenberger.

Question 110-13(5): Administration of Immigrant Investor Funds

MR. MILTENBERGER:

Thank you, Mr. Speaker. My question is directed to the Minister of Finance on his statement on the Aurora Fund today, specifically on the middle paragraph on page three of four, where the Minister made reference to the two Aurora Funds as government-administered venture capital funds. Could the Minister just elaborate on the difference between the arm's-length relationship that was an issue referred to when these funds were set up and what is now being referred to as a government-administered venture capital fund?

DEPUTY SPEAKER:

Thank you. The Minister of FMBS, Mr. Todd.

Return To Question 110-13(5): Administration of Immigrant Investor Funds

HON. JOHN TODD:

Yes, Mr. Speaker, I will try to give some clarity to that issue. The actual operations, if you want, of the fund and the decision making in terms of evaluating proposals and bringing recommendations up, is done outside of government. Mr. Bailey, for example, is the NWT investment manager and three external, if you want, investment committee members. These are done independent of the government, if you want. We have an obligation and a responsibility, given the regulations that are set by the federal government to be seen and to be viewed as a government fund. It

has the backing, both the moral and the administration backing, of the government, but it has the independence of where it puts an investment outside of the government through Mr. Bailey and through the independent bankers and, of course, the bankers themselves who finance it, and that is the Pacific Western one. I hope that brings clarity.

DEPUTY SPEAKER:

Thank you, Mr. Todd. Supplementary, Mr. Miltenberger.

Supplementary To Question 110-13(5): Administration of Immigrant Investor Funds

MR. MILTENBERGER:

Thank you, Mr. Speaker. Could the Minister elaborate then on the issue of liability either explicit or implicit, given the fact that there is a majority of government members, either senior staff or Ministers? Clearly, even though there is a three member business sector, they could be theoretically outvoted. So, could the Minister indicate, is there an economic liability due to that fact? Thank you.

DEPUTY SPEAKER:

Thank you. Mr Todd.

Further Return To Question 110-13(5): Administration of Immigrant Investor Funds

HON. JOHN TODD:

Yes, Mr. Speaker. Thank you, another good question. I want to assure my honourable colleagues publicly, the GNWT has no liability on the Aurora Fund. Period. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. Miltenberger.

Supplementary To Question 110-13(5): Administration of Immigrant Investor Funds

MR. MILTENBERGER:

Thank you, Mr. Speaker. Could the Minister indicate as well on the issue of all these government people, Ministers, and senior staff being on a board of this nature even though it is required by the federal government? Is that in any way at odds with our

current legislation, rules and procedures for staff in terms of conflict? Thank you.

DEPUTY SPEAKER:

Thank you. The honourable Minister, Mr. Todd.

Further Return To Question 110-13(5):
Administration of Immigrant Investor Funds

HON. JOHN TODD:

Well, I am not sure. My colleague finds that amusing. Mr. Speaker, I am not sure. I thought that question was asked of me earlier this morning. If I could get both Mr. Kakfwi and myself and the government employees off this fund, I would do it tomorrow, but the reality is that is what is expected by the federal government, so I would have to look into that component of it. We are, as we speak, and if there is, then we will have to make the appropriate adjustments to meet whatever the conflict guidelines are. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. The honourable Member for Arviat, Mr. O'Brien.

Question 111-13(5): Municipal Financial Audits

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister responsible for MACA. It is my understanding that the audits have been completed for the other communities in the NWT by MACA and that for approximately 40 percent of these communities, their audits were issued either as a qualified statement or nonstatement regarding their financial situation. My question to the Minister is, what action does this mean and how does she plan to deal with the issue?

DEPUTY SPEAKER:

Thank you. The honourable Minister for MACA, Madame Thompson.

Page 343

Return To Question 111-13(5): Municipal Financial Audits

HON. MANITOK THOMPSON:

(Translation) Thank you, Mr. Speaker. The items that the Member has raised are not in front of me at this time, but when there is a shortage of funding requirement, then we discuss these with our regional offices, along with the secretary treasurers from the communities to see in what areas we have to make some adjustments. I am quite sure the hamlets are aware of this process because we work with them on a regular basis. Thank you, Mr Speaker. (Translation ends)

DEPUTY SPEAKER:

Thank you. Supplementary, Mr. O'Brien.

Supplementary To Question 111-13(5): Municipal Financial Audits

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, if this number of the communities are experiencing financial difficulties with their accounting systems, what mechanisms are in place to ensure that these situations do not take place? In other words, how do we avoid them? What regulations are in place to assist the hamlets so that they do not get into this situation? Thank you.

DEPUTY SPEAKER:

Thank you. Madame Thompson.

Further Return To Question 111-13(5): Municipal Financial Audits

HON. MANITOK THOMPSON:

(Translation) The hamlet settlement secretary treasurers and their accountants receive ongoing training as to proper accounting practises and we are open to assist them within their hamlet. We look at ways of improving these accounting systems. The people that work within our department are required to report on a quarterly basis to the communities and to find out the status of the hamlets and their budgets and to see if we are able to assist in further improving the budgets, whether they are having financial problems and at times such as those, then we send our employees to go and provide training in those areas. Thank you. (Translation ends)

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. O'Brien.

Supplementary To Question 111-13(5): Municipal Financial Audits

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, the information I have in the case is that there is approximately 40 percent of the communities that find themselves in a difficult situation financially and that they were issued qualified statements or nonstatements regarding their finances. My question to the Minister about this huge number is, does the Minister find this acceptable?

DEPUTY SPEAKER:

Thank you. Minister Thompson.

Further Return To Question 111-13(5): Municipal Financial Audits

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. The auditors issued one of three opinions on financial statements. A denied audit opinion means there is a serious deficiency and a qualified opinion means deficiencies or possible deficiencies in financial statements, but an audit opinion can still be formed. Unqualified opinion, good financial controls, and accuracy of books and records. What I have here is that as of March, 1997, 27 communities had unqualified opinions which means that these 27 communities had good financial controls. Eleven communities had qualified opinions. A lot of times this was because the money in the canteens was not run well, and that could qualify them not to be very good in their finances, but otherwise, everything is looking good. Only one community had a denied audit opinion and we are working with the community. I feel we are doing very well with the communities because we are training them, as I said. We are keeping on track. We do monitor them. I think we are doing great. Thank you.

DEPUTY SPEAKER:

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

Supplementary To Question 111-13(5): Municipal Financial Audits

MR. O'BRIEN:

Thank you. Mr. Speaker, my question was, does the Minister feel that with 40 percent of the audits being in trouble, is this acceptable? That was my question.

DEPUTY SPEAKER:

Thank you. Madam Minister Thompson.

Further Return To Question 111-13(5): Municipal Financial Audits

HON. MANITOK THOMPSON:

The answer was the 40 percent that the Member is referring to might be just a case of the canteen clerks not doing their finances on the same day they are supposed to be reporting. Otherwise, all the communities are working well, and I am satisfied with how we are dealing with their finances. We are doing everything we can. We are working well with the communities. What the Member seems to be indicating is that 40 percent of those people are in very serious trouble when it could probably be just a canteen in the arena is missing by a few dollars. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. The honourable Member for Hay River, Madam Groenewegen.

Question 112-13(5): Public Service Job Classification System

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. Mr. Speaker, I made a statement last week regarding the re-evaluation process that is taking place right now with the public service employees. I would have made questions the same day as I made the statement, but I got caught up in the shrimp gate, so I will now refer my questions to the Minister for FMBS. I am sure the Minister is aware of the classification and evaluation process that is taking place. So, my question is, if any employee has been holding a position with a certain

Page 344

classification or pay scale for a number of years and for some reason this position is re-evaluated as a lower ranking position, what is going to happen to the employee in that position? Thank you, Mr. Speaker.

DEPUTY SPEAKER:

Thank you. Mr. Todd.

Return To Question 112-13(5): Public Service Job Classification System

HON. JOHN TODD:

Thank you, Mr. Speaker. My understanding is there is an incumbent that is at pay level 25 and reclassified to pay level 22. I think there is a government term, they say they are red circled, which means that if that person is in the job, while they are in that job, they remain at that pay level they are at. Should they leave and the job is readvertised, it would be readvertised at a lower pay level. Thank you.

DEPUTY SPEAKER:

Thank you. Supplementary, Mrs. Groenewegen.

Supplementary To Question 112-13(5): Public Service Job Classification System

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. I hear what the Minister is saying. So there is going to be provision for grandfathering present pay rates and the new rates will be gradually introduced as new income that has come into those positions. Has there been any communication with the employees who are being affected by this process as the confirmation with what the Minister is saying? I am concerned about uncertainty in the public service and I am concerned about them being unduly worried about this.

DEPUTY SPEAKER:

Thank you. Minister of the Financial Management Board, Mr. Todd.

Further Return To Question 112-13(5): Public Service Job Classification System

HON. JOHN TODD:

Thank you, Mr. Speaker. Of course, I would like to remind my honourable colleague that while some new jobs are going to be reclassified down, there are also jobs that are going to be reclassified up. There is a fine balance to this discussion, and it certainly is our intent to make sure that each and every one of the members of our staff are aware of their individual situation and to manage it to the best of our ability. I would suggest to you that where the employees, of course, who are getting more will applaud us, those whose jobs have been reclassified down should have nothing to fear because as I said, and I am going to repeat it again, the pay level will remain the way it is while they are in that job. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mrs. Groenewegen.

Supplementary To Question 112-13(5): Public Service Job Classification System

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. So, my question is then, have the employees in these positions been formally notified by some process of this government that they have nothing to fear of this process lowering their wages after its completion? Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Todd.

Further Return To Question 112-13(5): Public Service Job Classification System

HON. JOHN TODD:

I am not sure, Mr. Speaker, if on an individual basis, they have, but if they have not, they have now been advised by my honourable colleague's questions and my answer in the House where I have indicated that there should be no loss in wages on behalf of any member of this civil service whose pay level is maybe being reduced because of reclassification at the time. Thank you.

DEPUTY SPEAKER:

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

Question 113-13(5): Status of Keewatin Health Care Services

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, yesterday I was questioning the honourable Premier as to whether or not Cabinet gets involved in Ministers' decisions or if Ministers' decisions are in fact decisions made in consultation with Cabinet. I got the indication from the response, Mr. Speaker, that yes, that is the case. However, Mr. Speaker, I am not quite sure that the Hansards from yesterday support the statement. I noticed, Mr. Speaker, that on page 3, January 26th, Hansards, Mr. O'Brien was asking Mr. Ng about the health situation in the Keewatin. Mr. Ng responded that he is not sure what it is, but he sent a

management committee down there to look into the problem and at this point in time he was not able to respond as to what the health situation was in the Keewatin. A few minutes later Mr. Speaker, I raised the issue with the Premier, and on page 13 the Premier's response is, I believe, "the health care in the Keewatin is quite adequate and does its purpose." Now, Mr. Speaker, I directed the question to the Premier, I wonder if the Premier could inform Mr. Ng that everything is all right in the Keewatin, and then Mr. Ng could inform Mr. O'Brien, and we could save some question period time. Thank you.

DEPUTY SPEAKER:

Thank you. The head of the Executive Council, the Premier, Mr. Morin.

Return To Question 113-13(5): Status of Keewatin Health Care Services

HON. DON MORIN:

Thank you, Mr. Speaker. I was just reviewing Hansard right now while the honourable Member was asking the question, that is what I did state in the House yesterday, and what I meant to say is that I believe the Minister has the health issue in the Keewatin under control. He has sent in a team to the Keewatin to work with the people over there to make sure that we do have adequate health care in the Keewatin. The Minister has made a commitment

Page 345

already that within the next two days he will be making a Minister's statement, probably tomorrow, in this House addressing the problems of the Keewatin health care. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. Mr. Ootes.

Question 114-13(5): Aurora Fund Subscription Levels

MR. OOTES:

Thank you, Mr. Speaker. My question is for the Minister of Finance. Earlier, I believe this month, the Minister made a speech in Yellowknife at which he commented about the Aurora Fund and stated that it was fully-subscribed and that we now had \$70 million in the bank. The statement he made today, what I tally up that we seem to have in the bank is approximately \$24 million. I wonder if the Minister

could tell us, that to me that is only 40 percent of the money that really needs to be raised. With regard to the Aurora Fund 1996, I wonder if the Minister could tell us what the cut off date for that is because we have been at that particular one for over a year now. Thank you.

DEPUTY SPEAKER:

Thank you. The Minister of Finance, Mr. Todd.

Return To Question 114-13(5): Aurora Fund Subscription Levels

HON. JOHN TODD:

Yes, Mr. Speaker. I will try to explain to my colleague once again as I frequently tried to explain to him how the Aurora Fund works. Mr. Speaker, we have it fully-subscribed, and what that means is, and I have said this before in the House, we have 130 to 150 people who have met the criteria for the Immigrant Investment Funds. As the money flows in we access it, put it into escrow, look for opportunities and invest it.

So, it may not necessarily mean that the money is in hand, but the money is in the bank because they have approved the 130 or the 150 or whatever it is. They have approved these subscribers. Each of them have given us a certain level of dollars, and assuming they meet all the immigrant investment criteria, they then enter into the system, ante up the \$250. It comes through the system to the Aurora Fund to Mr. Bailey, who puts it in to escrow at the Bank of Montreal, who then looks at investment opportunities, and approves them. It comes out, goes in and away we go. Then we go on to the next subscriber, et cetera. If in my enthusiasm in a speech I made to an audience, I said there was \$70 million in the bank, I meant that there was \$70 million worth of equity, investment that we were going to get in the bank. Thank you.

DEPUTY SPEAKER:

Thank you. First supplementary, Mr. Ootes.

Supplementary To Question 114-13(5): Aurora Fund Subscription Levels

MR. OOTES:

Thank you, Mr. Speaker. I am still confused, I just do not put this together. In order to subscribe, you pay \$10,000 down. That to me means, you can say the situation is fully-subscribed, but until the \$250,000 is

in our hands, to me, it is not fully-subscribed. What you have stated today is that you have 56 investors who have provided the full subscription price, and in the other fund you have 42 subscribers with \$250,000. Now that is only 40 percent of the total amount, Mr. Speaker, so could the Minister tell us when are we going to see the other 60 percent? You did not answer my question. When does the Aurora Fund 1996 end? Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Todd, the honourable Member is confused. Would you help him to understand?

Further Return To Question 114-13(5): Aurora Fund Subscription Levels

HON. JOHN TODD:

I will try once again, Mr. Ootes. I understand my honourable colleague had a full briefing of this several months ago, so maybe he must have forgotten about the briefing. So, I will try once again to explain to him how it works. Mr. Lockyer, from the Cornwallis Group goes out and he markets our fund. He says to client A, do you wish to buy into our fund? Client A says, Yes. He then commits by putting in a deposit of \$10,000, \$20,000, \$50,000, whatever he wants. He is committing to the whole \$250,000, assuming he meets all the immigration requirements. Once he meets the immigration requirements, the rest of the cash comes in and it flows into the escrow account. The first fund is fully-subscribed. That means we have enough people who have committed dollars to give us the \$30 or \$35 million in the first fund. As it flows though, because each immigrant has to go through the immigration process, they are not going to put up \$250,000 until they know they are going to get their passport, that just makes common sense. They are committed to the overall investment of \$250,000. It is fully-subscribed, which means we do not require any more people in that. That is what fully-subscribed means, and as they meet their immigrant requirements the money flows in.

The first Aurora Fund is complete. It is just the timing factor in terms of when the immigration applications are approved. All the cash flows in there, I think it takes six months, twelve months. It is really not relevant. It just depends on the pace in which Immigration Canada works. The second fund is the same thing, I am advised by our Aurora Fund marketing agency, Mr. Lockyer, that it is fully-subscribed and the same principles are there that I

have just described. If I am not explaining it well enough, I do not know how else to describe it. I think everybody else understands it.

DEPUTY SPEAKER:

Thank you. A long-winded response. A bit confusing. Could we try to be direct and concise when replying to the questions? Mr. Ootes, second supplementary.

Supplementary To Question 114-13(5): Aurora Fund Subscription Levels

MR. OOTES:

Thank you, Mr. Speaker. When the words fully-subscribed are used, does that mean that the individual has deposited \$250,000 somewhere in escrow or in deposit that

Page 346

will be flowed to the territorial government or has he only deposited \$10,000? Thank you.

DEPUTY SPEAKER:

Thank you. The honourable Mr. Todd.

Further Return To Question 114-13(5): Aurora Fund Subscription Levels

HON. JOHN TODD:

I am trying to be patient on this question, Mr. Speaker, but I will try to be direct, some immigrants put in \$10,000; some put in \$50,000; some put in \$250,000. It is fully-subscribed. Everybody that we need has made their application and has put some form of deposit down so that once their immigration approval has been received, they then ante up the balance if there is any to be done. That is all it is, nothing more. I thought this was a good news story. Everybody else seems to think it is.

DEPUTY SPEAKER:

Thank you. Final supplementary, Mr. Ootes.

Supplementary To Question 114-13(5): Aurora Fund Subscription Levels

MR. OOTES:

Thank you. I do not need the implication that I do not think it is a good program. I think it is an excellent program, Mr. Speaker. The point is that some people

have put \$10,000 down. Now, in that case, there could be individuals with the far eastern melt down, and that is where we are getting most of our subscribers from, a lot of these could fall through. Is not that true?

DEPUTY SPEAKER:

Thank you. The honourable Mr. Todd.

Further Return To Question 114-13(5): Aurora Fund Subscription Levels

HON. JOHN TODD:

The fact of the matter is that I am not concerned about is, if they meet the immigrant requirements, et cetera, that are necessary to become Canadian immigrants. I am not quite sure I understand the line of questioning, and I am not trying to be offensive to my colleague, but the reality is that in my eyes as the Minister of Finance, as a chairman on the Aurora Fund, we are fully-subscribed. We are confident that money will flow. It will work hard for businesses as it currently is. I applaud the efforts of all those active in it. Thank you.

--Applause

DEPUTY SPEAKER:

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

Question 115-13(5): Yellowknife Office Space Leases

MR. KRUTKO:

Thank you, Mr. Speaker. My question is in line with my Member's statement in regard to the question of office space, especially here in Yellowknife on the surplus space that presently exists in Yellowknife. I believe somewhere in the area of 120,000 square feet, and in light of my question in regard to the present new owners of a building in Yellowknife who just required a long-term lease from this government and also the Aboriginal Organization Board presently looking at the possibly of investing in real estate in Yellowknife in a similar arrangement. Mr. Speaker, my question to the Minister of Public Works, Mr. Antoine, is in regard to the new owners of the buildings in Yellowknife. Is this idea open to all investors that there would be a long-term lease similar to that of the new owners, in regard to the Lahm Ridge Tower Building?

DEPUTY SPEAKER:

Thank you. The honourable Minister for Public Works and Services, Mr. Antoine.

Return To Question 115-13(5): Yellowknife Office Space Leases

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, in regard to the Lahm Ridge Tower lease, it is like I said yesterday in question period, that it was never a government building. It was a privately owned by the Lahm Ridge Investment Ltd. They sold it to a numbered company. Prior to this sale between the two private companies, the Department of Public Works and Services exercised the extension to renegotiate a lease arrangement which had expired two years ago. The Department of Public Works renegotiated a more favourable lease. This lease arrangement was negotiated before the sale between the two private companies, which is in line with the provisions of the lease arrangements between Public Works and Services.

In regard to the other part of the question, if this government is going to be looking at the sale of government assets, yes, this government is going to be looking at the different offices we have and the possible sale of these assets.

I know there is interest by aboriginal development corporations in these assets, and they will be welcome to get involved in these assets once they become available for sale. Thank you.

DEPUTY SPEAKER:

Thank you. Supplementary, Mr. Krutko.

Supplementary To Question 115-13(5): Yellowknife Office Space Leases

MR. KRUTKO:

Thank you, Mr. Speaker. In regard to my supplementary question, it falls in line with the potential of selling off of the government asset, the Laing Building, which I stated in my opening remarks. There have been several attempts by aboriginal organizations to look at the possibility of acquiring that asset, but with the understanding there will be some sort of a lease arrangement in place so they can go to their financiers, Aurora Fund, wherever the fund is coming from, to be able to acquire this building with

the understanding if they invest in such a building, there will be some long-term returns on it. So, will the Laing Building have a similar arrangement with regard to its sale with whomever acquires it?

DEPUTY SPEAKER:

Thank you. The honourable Minister, Mr. Antoine.

Further Return To Question 115-13(5): Yellowknife Office Space Leases

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the office space the Government of the Northwest Territories occupies in the capital in Yellowknife is quite substantial. There are spaces that we currently have leased that are surplus. For some time now this department has been trying to put a plan together to look at the requirements of the office space in Yellowknife for the government. It looks at our own spaces, the assets we currently own, as well as looking at privately-owned spaces we lease out. We have made a decision as FMB and Cabinet. I will be making a full statement on that decision once it becomes finalized and signed off. So, I will be making a statement fairly shortly regarding the total package. The Laing Building is part of the total package.

So, in respect to the honourable Member and the specific question he is asking, I would like to say, we have to look at the total office requirement in Yellowknife, including our own spaces and how we are going to manage in the future as we approach division and beyond. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. Krutko.

Supplementary To Question 115-13(5): Yellowknife Office Space Leases

MR. KRUTKO:

Thank you, Mr. Speaker. In regard to who makes the final decision as to the whole idea of who gets leases, especially in regard to long-term leases, who makes the final decision, especially when there is controversial issue such as that, which is presently at light with regard to the way the Lahm Ridge Tower lease was required? Who makes the final decision in regard to that type of a lease?

DEPUTY SPEAKER:

Thank you. Mr. Antoine.

Further Return To Question 115-13(5): Yellowknife Office Space Leases

HON. JIM ANTOINE:

Thank you, Mr. Speaker. In regard to the Lahm Ridge Tower lease, I would like to go back to a little bit of background, so everybody understands. This lease was established in 1985, for a period of 10 years. It was a 10-year lease. In the fall of 1995, the lease was up. It was during the time when we were downsizing and consolidating and so forth. There was a lot of departmental restructuring going on and the North Slave regional office of Public Works and Services, who is responsible and the superintendent in charge, had then decided not to exercise the extension provision of the ten-year lease, but to continue on a month-to-month basis, which is a routine lease provision.

In late July, 1997 the owners of Lahm Ridge Investment Limited asked the regional superintendent for a ten-year lease extension, which is consistent again with the lease terms. The landlord proposed quite significant reduction in the O and M costs and replaced some of the mechanical and ventilation system which was quite favourable to the department. The regional superintendent then considered if we are going to be moving our tenants out of that office space to another one, we would lose in that regard, in the tenant improvements that were put in there and would have disrupted the tenants. Since two years had already lapsed after the ten years were over, the extension was limited to eight years. Since the extension provisions were part of the existing lease, there was no request for proposal, though it is necessary. So, the regional superintendent reached a verbal agreement with the tenant, Lahm Ridge Investment Limited in the beginning of August. A letter of understanding was signed in August as well and the eight-year extension was signed by the deputy minister and the owners of Lahm Ridge Investment Limited at the end of September. Thank you.

DEPUTY SPEAKER:

Thank you. Final supplementary, Mr. Krutko.

Supplementary To Question 115-13(5): Yellowknife Office Space Leases

MR. KRUTKO:

Thank you, Mr. Chairman. My question was in regard to who authorized the extension of this lease? Was it Public Works, was it Cabinet, was it FMBS? Who was it?

DEPUTY SPEAKER:

Thank you. Mr. Antoine.

Further Return To Question 115-13(5): Yellowknife Office Space Leases

HON. JIM ANTOINE:

Thank you, Mr. Speaker. In this case the deputy minister has that authority to extend leases according to lease provisions. Thank you.

DEPUTY SPEAKER:

Thank you. The honourable Member for Yellowknife North, Mr. Erasmus. No. I recognize Mr. Roland, Member for Inuvik.

Question 116-13(5): Transfer of High Temperature Heating System

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my question will be directed to the Minister responsible for Municipal and Community Affairs. Mr. Speaker, the community as I had mentioned in my opening comments, the community has been trying to deal with the issue of the high temperature system. With some good news today, we will be looking at doing some needed repairs to the system and changes. What I would like to know from the Minister responsible for MACA, also a part of the provision is a possible turnover of the system to the town of Inuvik. I am wondering, can the Minister inform me if this is going ahead at this time or when will it go ahead? When can we look to a completion of this? Thank you.

DEPUTY SPEAKER:

The honourable Minister for MACA, Madame Thompson.

Return To Question 116-13(5): Transfer of High Temperature Heating System

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. The Inuvik Utilities Planning Committee will be meeting with my staff at the end of this month, which is this week, early next week. At that time they will be able to inform the committee what the plans are of transferring this initiative to their town council. I do not know the specifics at this time. I do not have the detail in front of me, but I do know my staff will be meeting with the committee in Inuvik early next week or this week. Thank you.

DEPUTY SPEAKER:

Thank you. Supplementary, Mr. Roland.

Supplementary To Question 116-13(5): Transfer of High Temperature Heating System

MR. ROLAND:

Thank you, Mr. Speaker. Can the Minister inform me, although they will just be sitting down to begin the discussions, what is the planned duration of this? Do you have a time line? Is it two or three months or longer? Do you have a time line that you are hoping you can conclude this by? Thank you.

DEPUTY SPEAKER:

Thank you. Madame Thompson.

Further Return To Question 116-13(5): Transfer of High Temperature Heating System

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. I will have to get back with my senior staff and get briefed on this and I will see how fast we can do this initiative. I do not have the details in front of me. I will get back to the Member. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. I have the Member for Baffin Central, Mr. Enuaraq.

Question 117-13(5): Funding for Pangnirtung Fire Hall

MR. ENUARAQ:

(Translation) Thank you, Mr. Chairman. I have a question to the Minister of Municipal and Community Affairs, Ms. Thompson. She had stated earlier about funding being available for positions in a certain

department. I want to ask this question, with regard to funding being made available to Pangnirtung.

DEPUTY SPEAKER:

Thank you, Ms. Thompson.

Return To Question 117-13(5): Funding for Pangnirtung Fire Hall

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. The hamlet council has to take the initiative to ask for this funding. If this is done this way, then we can make the funds available to the Hamlet of Pangnirtung. The officials in my department will be working closely with the people of Pangnirtung. They have to go through the hamlet council. Thank you, Mr. Speaker. (Translation ends)

DEPUTY SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 118-13(5): Opinion on Potential Conflict

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier. Mr. Speaker, before the Premier authorized the appointment of the two Ministers to the Aurora Fund, did the Premier get a legal opinion that the appointments conform and confirm to the conflict of interest guidelines of this government? Thank you, Mr. Speaker.

DEPUTY SPEAKER:

Thank you. The head of the Executive Council, Mr. Morin.

Return To Question 118-13(5): Opinion on Potential Conflict

HON. DON MORIN:

Thank you, Mr. Speaker. No, I did not.

DEPUTY SPEAKER:

Thank you. Supplementary, Mr. Picco.

Supplementary To Question 118-13(5): Opinion on Potential Conflict

MR. PICCO:

Thank you, Mr. Speaker. Will the Minister be contacting someone from our legal department to find out, indeed, if these appointments conform to the conflict guidelines of this government?

DEPUTY SPEAKER:

Thank you. I have to remind myself and the Members there is translation and we have to pause momentarily at the end of the questions and answers. Mr. Premier.

Further Return To Question 118-13(5): Opinion on Potential Conflict

HON. DON MORIN:

Thank you, Mr. Speaker. We are looking into that now. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. Picco.

Supplementary To Question 118-13(5): Opinion on Potential Conflict

MR. PICCO:

Thank you, Mr. Speaker. I find it a bit strange that this fund has been set up now for about two years, which I do support, and that, indeed, no one has brought this matter forward before the legal department when this fund was set up. They were not notified that, indeed, they may be in conflict with our conflict guidelines. So I wonder if the Premier when this fund was set up and he authorized the Ministers who sit on this fund if, indeed, he had looked at the legal implications or did he get a legal opinion back from the lawyers at that time? Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Premier.

Further Return To Question 118-13(5): Opinion on Potential Conflict

HON. DON MORIN:

Thank you, Mr. Speaker. Other governments have Ministers sitting on their fund, and when the Aurora Fund was put together, we followed what other

governments were doing. It is a fund that is sanctioned by the federal government as well. No one raised the concern with us before. The Ministers themselves, one of the Ministers that was sitting on the fund raised the concern today with us because this is the time of the year to fill out our conflict regulations. So that is where it came to light. As soon as it comes to light, we look at the issue and as good government does, we will address the issue, and we will fix it if it needs fixing. Thank you.

DEPUTY SPEAKER:

Thank you. Final supplementary, Mr. Picco.

Supplementary To Question 118-13(5): Opinion on Potential Conflict

MR. PICCO:

Thank you, Mr. Speaker. Would the Premier then commit to this House that over the next few days, when will he have his opinion so that he can actually come back and inform this House and the public at large that indeed we are conforming to our own conflict guidelines with this fund? Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Premier.

Further Return To Question 118-13(5): Opinion on Potential Conflict

HON. DON MORIN:

Thank you, Mr. Speaker. As soon as we find out, then we will inform the House. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. I have the honourable Member for Hay River, Madam Groenewegen.

Question 119-13(5): GNWT Contract Report

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. I have a document here today that I know has been tabled in this House previously. It is a contract report for the third quarter of the fiscal year ending March 31, 1997. This book is available in our library. It is also available on computer disc. I would suggest to the public that it is a very interesting document and people may want to look into it. As I look into it, and I may have missed

something that is going to be changed in the future, but I notice in the legend at the bottom that there is an N for negotiated, S for sole source, T for tendered, X for southern supplier. Anyway there is a legend here, northern approved supplier, northern nonapproved supplier. There is no provision for identifying a contract which is awarded through a request for proposal. Is this about to be changed because I would suggest this is a means of procurement that the government uses quite regularly and it is not exactly tendered because it is not public. So I would like to ask whoever the Minister is responsible whether or not RFPs will be identified as such in the future in this book. Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Premier.

Return To Question 119-13(5): GNWT Contract Report

HON. DON MORIN:

Thank you, Mr. Speaker. We will identify all types of tenders for the Members. Thank you.

DEPUTY SPEAKER:

Thank you. Oral questions. I have the honourable Member for Arviat, Mr. O'Brien.

Question 120-13(5): Access to Public/Private Partnerships Initiative

MR. O'BRIEN:

Thank you, Mr. Speaker. My question is to the Minister responsible for the P3, Minister of Finance, Mr. Todd. The other day I asked a question in reference to the organizations or individuals that could get involved in considering investing in the P3 from the private sector. I am not quite sure if the Minister answered my question. Therefore, I will ask it again. How does one go about getting involved in the program? I know that there were bankers and business people here the other day that were invited. If there were other people who had the same interest, how would they go about that? Thank you.

DEPUTY SPEAKER:

Thank you. The proper title for Mr. Todd is Minister of Finance, not the P3. Mr. Todd.

Return To Question 120-13(5): Access to Public/Private Partnerships Initiative

HON. JOHN TODD:

I am not quite sure of the question, but I think I know what my honourable colleague is saying. Maybe I could do it this way. Maybe I could use a hypothetical situation to try answer the question. Let us assume that the government and the Minister responsible identify the Arviat Health Centre as a potential Public/Private Partnerships project. Let us assume that has happened. It would then go to some public request for proposal, proponents like the Arviat Development Corporation of the hamlet council or some of these good friends, Bob Leonard and Associates, who would then bid on the project based upon what the criteria was set for the project. They would bid on the project on the basis of their ability to finance it, on the basis of cost, et cetera. I would imagine they would talk to the banks or the Aurora Fund or the trust companies or whoever provides them with a long-term debt. Then the government would analyze the proposals. Let us say if we get two, hypothetically again from Arviat, look at the best but both of them meet the criteria set by the government, select the appropriate company or group of companies and we proceed with the project. That is how I see the process unfolding.

The bankers, and I will try again, were here, the vice-president of the banks that determine corporate policy, and they were here at my invitation to talk to me about whether they are interested in their banks as institutions looking at the Public/Private Partnerships, balancing the budgets, et cetera. I would imagine the local guys at the Yellowknife, Iqaluit and Rankin Inlet area would then deal with these projects. I hope that has provided some clarity. That is the way I see it unfolding. As I said to my colleague yesterday, it is certainly our intent, at the end of the day, once we complete this exercise, to bring full transparency and clarity to what is being selected, and it will be done in conjunction with the committees. Again, I will table, in the House the projects that are going to come under Public/Private Partnership proposals. I am confident that at the end of the day that the private

Page 350

sector, the partnership with the lending agencies, along with this government and, in some cases, aboriginal groups will be able to take up some of

these opportunities that will now unfold and move into 1998. Thank you.

DEPUTY SPEAKER:

Thank you. Although the allotted time period is over for question period, I would allow the honourable Member to use up the supplementaries. Mr. O'Brien.

Supplementary To Question 120-13(5): Access to Public/Private Partnerships Initiative

MR. O'BRIEN:

Thank you, Mr. Speaker. Is the Minister, therefore, saying that these projects will be done by something similar to an RFP as opposed to public tender?

DEPUTY SPEAKER:

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

Further Return To Question 120-13(5): Access to Public/Private Partnerships Initiative

HON. JOHN TODD:

Well, of course, I see an RFP as a form of public tender, and I think, in fairness to other questions that have been asked by honourable colleagues, I have been in fairly intense discussions with the NWT Construction Association in an effort to fully understand what the concerns are. I think we have it pretty clear as to what has to occur going RFP. Most of those things are left to go RFP because there has got to be some latitude there on the private sector's part, on the investment community's part, et cetera. We have to find a way to reassure not only this House but people like the NWT Construction Association that this has been done in a fair and constructive way, and I am confident that once we get the detail of the policies and regulations, we will be able to do that. Of course, you will have access to that and give us some advice on it. Thank you.

DEPUTY SPEAKER:

Thank you. Second supplementary, Mr. O'Brien.

Supplementary To Question 120-13(5): Access to Public/Private Partnerships Initiative

MR. O'BRIEN:

Thank you, Mr. Speaker. Are there any guidelines built into the policies that will try to ensure that people

in the north or people in the regions, for example, if there is a project in my community or in my region that the individuals or organizations that want to get involved in investing, that they would be given first priority as opposed to opening up to north and south before the regional or local people have an opportunity? Thank you.

DEPUTY SPEAKER:

Thank you. Mr. Todd.

Further Return To Question 120-13(5): Access to Public/Private Partnerships Initiative

HON. JOHN TODD:

Well, certainly my hope is that, based on my experience anyway, we will have competitive RFPs, if you want, from regional people. I think in fairness to the public purse and to ensure that we get good value for money and that there is a transparency in the process and a fairness in the process, it will be advertised on a territorial basis under the current policies and regulations of the GNWT which gives preference to, for example, in the BIP. I am fairly confident in my discussions with the business community and investment community, some of the aboriginal groups that we met including the Aboriginal Summit, that there will be people there who are sufficiently interested to ensure one, we have a competitive process and we get good value for money, and two, that we are optimistic that a number of these projects will be owned and operated by the residents of the communities. Again, I would stress that it would be difficult to limit it to that at this stage of the game given that they need to give us a truly competitive process and, of course, transparency and opportunity, and more important, the equity for everything. Thank you.

DEPUTY SPEAKER:

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

Supplementary To Question 120-13(5): Access to Public/Private Partnerships Initiative

MR. O'BRIEN:

Thank you, Mr. Speaker. At this point in time, what level of interest have you seen from the bankers and the business people that you have talked to here and elsewhere in reference to this program?

DEPUTY SPEAKER:

Thank you. Mr. Todd.

Further Return To Question 120-13(5): Access to Public/Private Partnerships Initiative

HON. JOHN TODD:

Thank you, Mr. Speaker. I would think I would categorize it as relatively enthusiastic. I think lending institutions, whether it be conventional banks or people who back the Aurora Fund, the Pacific Western Group, and others, have showed a real interest in the Public/Private Partnerships. I think that is good. That all goes well for everybody because not only do we want to get competitiveness in the RFPs for the facilities and the leases and the costs, we also want to make sure we get some competitiveness in the money markets. I believe that at the end of the day we will get that, and it is certainly from my initial reaction from the discussion with the vice-presidents of the banks, they were favourably impressed by what they saw, not always what they heard, but certainly what they saw. I know on the return from BHP, they were enthusiastic, and I hope that will be reflected in the bank policy when it comes to lending. We can get on with putting some of these new projects on the ground and bringing the infrastructure into being in keeping with our new strategy. Thank you.

DEPUTY SPEAKER:

Thank you, kindly, Mr. Todd. The allotted time period for oral questions is over. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Before we begin item 10, replies to budget address, we will take a 15-minute break.

--Break

Page 351

DEPUTY SPEAKER:

I would like to call the House back to order. Item 10, replies to budget address. Mr. Ootes.

ITEM 10: REPLIES TO BUDGET ADDRESS

Reply 6-13(5): Mr. Ootes' Reply

MR. OOTES:

Thank you, Mr. Speaker. It is significant that in this is the last budget that will ever be produced for the Northwest Territories as we know it today. This is also the first budget in our term of office where we

have not had to do major surgery on our expenditures. The budget moves us in the right direction. It provides support for social programs and offers incentives to northerners and northern businesses to invest in creating jobs. I do have some comments regarding our budget.

First, let me speak about the formula financing arrangement. As I said yesterday, our population growth is 4.7 percent, the largest in North America. Our social envelope will consume 63 percent of the budget. We are spending less and less on capital, less and less on job creation, departments of RWED, Transportation and DPW, and more and more in the social envelope area.

I want to emphasize I am supportive of our social and health programs; however, the pressure will continue because of the forced-growth resulting from population increases. I would like our Minister to address the formula financing agreements with the federal Minister of Finance in regard to our forced-growth and our booming population. If we do not resolve this problem, we will have to continue to cut capital budgets, resulting in more people being laid off and the level of service will continue to deteriorate.

As the Finance Minister had said yesterday, we need to also address our revenue base. Of course, the only place that can be done to any significance is in the area of royalties from the resource sector. Again, this needs to be addressed with the federal Minister of Finance.

I also propose that half of our surplus from this year and half from next year should be used to stimulate our economy. We should put \$6 million this year into employment creation projects. If ever this was needed, now is the time.

We should also reinvest in our most valuable resource, our staff. They have made a terrible sacrifice during our days of cost cutting. They have put in the hours. They have faced the uncertainty of jobs, and now we can publicly reassure them, our days of laying off employees are over. We should also demonstrate our support for them by investing in some fashion or other in them.

Effects on Yellowknife, like most communities, our cost cutting measures have been extremely hard on Yellowknife. We have seen the elimination of 450 government positions. The downsizing of the capital budget has meant the elimination of 900 construction

jobs and the difficulties of the gold mines have resulted in the loss of several hundred jobs.

Yellowknife is now also suffering from a great deal of empty office space. We are still facing division when 286 positions are targeted for reduction upon the creation of Nunavut. We need a program to assist the gold mines of the north to remain viable, which in turn will greatly assist our community.

The Public/Private Partnerships program is a great idea. There is a lot of support for it out there. This is an excellent opportunity to create employment, gain access to new dollars and capture private sector efficiencies. I would like to make some comments about the guidelines, however, implementing Public/Private Partnerships. They were tabled with us yesterday, and I gave notice to have the guidelines moved into committee of the whole on Wednesday.

The guidelines need scrutiny and serious discussions by Members of this House. As a matter of fact, these guidelines should also be sent to the organizations Mr. Todd consulted on the P3 and ask for feedback.

The committee will present proposals to the Financial Management Board and request authority to proceed. There is no mechanism for MLAs, nor outside bodies of interest to have any input. That to me is not acceptable. This is a huge financial obligation we are exposing this territory to. My approach to this will be, do not ask me to trust you. Show me the hard facts and figures and hard numbers. We need a set of guiding principles that address the many questions that are out there.

Deals have to be definable publicly. For example, in negotiating deals, companies often do not want to bring out in

Page 352

public their finances. My point is they have to be willing to show their facts in public. If you select one company over another, this has to be defended by all of us here on the political side. Otherwise, the losing companies will complain.

In most cases, companies want all the return and no risk. They say, we will let the government take the risk. Exclusivity, because private business built the facility they want the right to operate it. The fees they charge might be contrary to public policy. The method of contracting needs to be addressed. We

need clarification on RFPs and how that is going to be handled.

We have passed two motions in this House dealing with the need for clarification in the area of nontendered contracts and RFPs. We have to ensure there is an anti-lobbying clause contained in the guiding principles. We need guidelines to deal with unsolicited proposals and the right to ownership.

As I said the other day, Mr. Speaker, P3 is not new. There are many examples, regionally, nationally, internationally. In order to undertake this major expenditure, we do have to do a lot of homework. We need to study all facets of this program. We need to ensure that projects must irrevocably benefit the public at large.

The other day, I suggested that what we need is a task force made up of industry, union, government and academia. They could look at assessing feasibility and applicability of these programs; select a few programs that could be used on a pilot basis; offer strategic advice on critical factors that create barriers and review national and international experiences. They could review public sector versus private sector financing. That concludes my statement, Mr. Speaker. Thank you.

--Applause

DEPUTY SPEAKER:

Thank you, Mr. Ootes. Replies to budget address. Item 11, petitions. Mr. Arlooktoo.

ITEM 11: PETITIONS

Petition 1-13(5): Request for Kimmirut Community Arena

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. I would like to present a petition, Petition No. 1-13(5), request for a community arena in Kimmirut, with 181 signatures from the community of Kimmirut expressing a petition supporting the community arena in Kimmirut. Thank you.

DEPUTY SPEAKER:

Thank you. Petitions. Mr. Evaloarjuk.

Petition 2-13(5): Understaffing at Igloodik Health Centre

MR. EVALOARJUK:

(Translation) Thank you, Mr. Speaker. I will be presenting a petition, Petition 2-13(5), understaffing at the Igloodik Health Centre. It is a petition from last summer that was being petitioned by people of Igloodik that there is not enough health care workers within the health centre. It has 327 signatures from the people of Igloodik. The health centre in Igloodik presently has only three nurses. They will be eliminating one position so there will be only two nurses left in September, 1997.

Due to this the people and the Hamlet of Igloodik have stated that many health services have been eliminated. Therefore, we, the undersigned are against this elimination of government positions. We request they add more positions to increase the nursing staff to five positions within the community as these are very important positions for us. Thank you, Mr. Speaker. (Translation ends)

DEPUTY SPEAKER:

Petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on review of bills. Item 14, tabling of documents. Madam Groenewegen.

ITEM 14: TABLING OF DOCUMENTS

Tabled Document 21-13(5): Unsigned Note Re: GNWT Loan

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. I would like to table a note, Tabled Document 21-13(5), unsigned note re: GNWT loan, that I received here in the Legislature this afternoon. On the outside it says Jane Groenewegen, spelled correctly, I might add. To Jane, how did you get an \$800,000 loan from this government? I will table that. Thank you, Mr. Speaker.

DEPUTY SPEAKER:

Thank you. Item 14, tabling of documents. Mr. Enuaraq.

Tabled Document 22-13(5): Photographs Depicting Pangnirtung Fire Hall

MR. ENUARAQ:

Thank you, Mr. Speaker. Mr. Speaker, I would like to table a document, Tabled Document 22-13(5),

photographs depicting Pangnirtung fire hall, and the document contains photographs of Pangnirtung's fire hall's condition. Thank you.

DEPUTY SPEAKER:

Thank you, Mr. Enuaraq. Tabling of documents. Item 15, notices of motion. Item 16, notices of motions for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in committee of the whole of bills and other matters. Bill 8, Appropriation Act, 1998-99; Committee Report 02-13(5), Standing Committee on Government Operations, Report on the 1998-99 Main Estimates; Committee Report 03-13(5), Standing Committee on Infrastructure, Report on the 1998-99 Main Estimates; Committee Report 04-13(5), Standing Committee on Resource Management and Development, Report on the 1998-99 Main Estimates; Committee Report 05-13(5), Standing Committee on Social Programs, Report on the 1998-99 Main Estimates; Tabled Document 15-13(5), 1998-99 Budget Address. With Madam Groenewegen in the chair.

ITEM 20: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

Page 353

CHAIRPERSON (Mrs. Groenewegen):

I would like to call the committee of the whole to order. There are numerous items that have been already listed by the Speaker on the agenda before this. What is the wish of the Committee? Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I recommend or I move that we consider Tabled Document 15-13(5), Budget Address, and following that, Bill 8, Appropriation Act in conjunction with Committee Report 02-13(5), Report of the Standing Committee on Government Operations, and the Committee Report 03-13(5), the Standing Committee on Infrastructure. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Has the committee agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRPERSON (Mrs. Groenewegen):

We will start with Tabled Document 15-13(5), 1998-99 Budget Address. Would the Minister like to take the witness table and bring witnesses?

HON. JOHN TODD:

I could take the witness table, but I do not think there is any requirement for my staff to be here.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Minister, please take the witness table. Are there any general comments or questions regarding the Budget Address? Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. I guess it has been almost two years now since the Government Operations Committee did a report on investment schemes that we had researched, and out of that came the Aurora Fund, the recommendation for the Aurora Fund, and also for this new equity investment tax program which would have been called NORTHHTIP, I think we had recommended. This will be infusing many millions of dollars into the NWT economy for businesses. I notice that yesterday Mr. Roland had asked the Minister if there is a minimum investment in this NWT equity tax program, and the Minister did not really reply very clearly, I did not think. If a person has \$1,000 that he wants to invest, would he be able to invest that? If he had \$500 would be able to invest that? What I would like to know is, is there a minimum or where is that?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Madam Chair. First of all, I would like to thank my honourable colleague, Mr. Erasmus, and several other creative MLAs who assisted me and given me some clear and constructive, rather than critical, constructive direction as to where we could head with some of these new initiatives. Frankly, they should get full credit, for all I did was put into place what they advised me to do. I must apologize to my colleague. I do not know. I will have to check into it. Again, it was an important question, but I do not know if there is a minimum. I know there is a maximum of \$100,000. I will check into it and answer that tomorrow. My apologies. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. The reason I am asking, of course, is because there are a lot of people out there who do have a few extra dollars to invest, but they might not have \$50,000 or in that category. The next question I wanted to ask was if the Minister would expand on how a labour-sponsored fund would work?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

One of the labour-sponsored funds we are looking at right now, actually, is with Alternatives North. In particular, Mr. Ben McDonald has come forward with the idea of a community-sponsored debenture capital fund where corporations and banks would fund on the front end, if you want, some equity for a fund. That equity would generate interest, and that interest would then be reallocated to community-based, if you want, social programs. That is one small example of the fund we are looking at right now.

There would be, if you want, a corporate commitment within some of the large corporations and some of the banking institutions. I am advised, actually, on the employee labour sponsor debenture capital funds that, in fact, in southern Canada, there is a great deal of money in those funds right now, and they are not being utilized to the fullest extent as they should be and that even though we are looking at it, and we say there is a menu of investment vehicles, we will have to look at the additional funds that we think will bring us, if you want, the best bang for our buck. Would that be an appropriate way to describe it? No? Okay. The best return on investment, then, Madam Chair. We are looking at that right now. I would have actually liked to have been able to move on more quickly on some of these other funds that my colleague and his colleagues have advised me on. Unfortunately, it did not quite happen. As we move down the road of getting more information on some of these funds, I will be able to advise the committee, and in particular the Chairman of the Standing Committee on Government Operations, as to what options we are looking at and seek their direction and counsel as to which ones we should move forward on

in this last 12 to 14 months of this Assembly. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. Could the Minister expand a little bit on the issue of how the investors would benefit. I understand that on some of these you would get a tax break on your NWT taxes, and on some of them, you could put it towards your RRSPs. I just wanted to have a bit more of an explanation on this aspect.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Todd.

Page 354

HON. JOHN TODD:

Okay, I think that is a good question to get some clarity. As we did give the example, you know, if you put \$10,000 into company A, we will give you a Northwest Territories tax credit of \$3,000, roughly 30 per cent. In fact, even though you are putting a \$10,000 cash equity in when you write the cheque, at the end of the year, you get a \$3,000 credit on your overall income. On the RRSP, I think I did qualify it by saying, of course, you have to have some RRSP room within what you are eligible for. But in an ideal situation, if client A had a \$10,000 investment, he would automatically get a \$3,000 credit. If he had enough room within the RRSP credit room, he can get an additional \$4,400 credit if he had enough room in terms of if he has not put anything in or if he has put so much in, et cetera. So overall, the tax rate at the end of the year would be about \$7,400. His risk capital would be \$2,600. I am not saying that everybody would be in that situation, but certainly some of the smaller investors that have got limited RRSP room, they could actually get into this and take significant investment and return on investment based on this.

So in summary, Madam Chair, \$10,000 investment, roughly \$3,000 in terms of the tax room in our NWT tax investment policy. If they are eligible for the max on the RRSP, another \$4,400, interest \$2,600. That is not a bad investment tax credit program, but I would caution my honourable colleague by saying that, to get the max, it would really depend on how

much eligibility you have got in the RRSP room.
Thank you.

MR. ROLAND:

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. Since the RRSPs are federally sponsored or are a part of a federal program, I am assuming then that there has to be federal approval and monitoring. Is this correct?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

That is correct, Madam Chair. We have the support of the federal government on this initiative, and we thank them for it.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Madam Chair. Considering the fact that the funds will be used to invest in businesses, there is always the possibility that the business will fail. What type of risk is involved for the territorial government? Will we have to guarantee this money, and if a company goes bankrupt, for instance, will we have to cover the losses? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

No, Madam Chair. The only risk, if you want, the down side to this government is that we have given the tax credit with a hope that we will create one new business opportunity and with it new jobs and purchasing of goods. That will not avail itself if it went bankrupt, so there is no exposure over and above the tax credit for this government in this initiative. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Erasmus. I have Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. I would like to seek some clarification on the protocol agreement nearing completion concerning the transfer of existing staff to the Nunavut Government. I wonder if the Minister could tell us if the Nunavut process is going to ensure that the present staff who are employed by the GNWT will be transferred to the Nunavut Government, specifically with those employees who are now located in Nunavut? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Todd.

HON. JOHN TODD:

My understanding, Madam Chair, is that all employees as of April 1, 1999 that are GNWT employees and reside in Nunavut will be transferred to the new Nunavut government, period.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Anything further, Mr. Ootes.

MR. OOTES:

Yes, that is very good to hear. With regard to the elimination of 286 positions, I believe, that are left in Yellowknife that potentially could be targeted for elimination, what is the status of that at the moment? Where do we stand on identifying those positions? Have we any idea when we are looking at a timeframe of those positions?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Todd.

HON. JOHN TODD:

Yes, Madam Chair, I think it is important too because, as my honourable colleague and others have said on a frequent basis they talk about the elimination of these jobs. I do not see it that way at all. I see it as an opportunity for new careers. Not necessarily in Yellowknife, but somewhere else. I think there is a difference and I think it is important to say that. Now, I do recognize, of course, that people put a lot of time into this part of the country, into Yellowknife and they may not wish to go. I do not see it as an elimination of jobs, I see it as a transfer of PYs into the eastern Arctic based upon the agreement that was reached with respect to division. Currently, my understanding

is that the Interim Commissioner and partners are in the final days of recruiting the deputy ministers required for the ten departments and, of course, the secretary to the Clerk of the Council. I am assuming that Mr. Anawak, I believe, in his meetings this week, I think as we speak - I believe he is here today as we recognized him in the House - that Mr. Anawak's office along with all the parties, including ourselves, are working towards the next stage and the next step, moving some of the essential PYs and bodies that are necessary to get the government up and running. Mr. Arlooktoo, in the recent meeting in Iqaluit, I think, had agreement by all parties for it to be a seamless approach. In other words, there would be a transfer if the employees so wish.

Page 355

So, I would think with the recruitment of the senior deputies that we will see a significant amount of movement, if you want, in terms of what are the resources required to run these departments in the coming weeks. I do not know whether that answers it or not, but I hope it does. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Ootes.

MR. OOTES:

Again, Madam Chair, I think that is very good news in some ways. Certainly for those employees who are with the GNWT. I think that is good progress and good to hear. It does leave several questions, of course, as to when this may happen and the reason I ask that is people will be concerned as to whether they will be affected or targeted. Do we have some kind of program in place that at some point people will, in the next several months, or will it be a half year that these positions are identified so that people know where they stand? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Todd.

HON. JOHN TODD:

Thank you, Madam Chair. I was not at the Iqaluit meeting, that is why I was consulting with my honourable colleague and Deputy Premier, Mr. Arlooktoo. It is certainly the intention of this government to bring, as quickly as possible, some clarity and stability to the division process. I fully recognize the concerns raised by my honourable

colleague, Mr. Ootes. I am advised by Mr. Arlooktoo the hope is we will have some clarity for the jobs, timing, et cetera by March 15th, which is approximately five or six weeks away. I would suggest that we would then be in intense discussions with our staff to show them the new opportunities and to work closely with the staff in making sure there is as minimal disruption as possible, et cetera. I am optimistic that by March 15th and if that does occur, of course, we will be sharing that information with all Members of the House and in particular the Members that are clearly affected from the headquarters in Yellowknife. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Todd. Mr. Ootes.

MR. OOTES:

Just a final comment, Madam Chair. One other reason for knowing this is the impact upon Yellowknife as a community, of course. I really appreciate the answer I have received and I do look forward to knowing what the timeframe will be and so forth. I want to again emphasize that Yellowknife can absorb this, we have known it is coming, but if we get some time to be able to adjust to these position changes, then it makes a big difference for us.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Further comments or questions to the Budget Address? Does the committee concur that this item is then concluded? Mr. Steen.

MR. STEEN:

Madam Chair, before the Members vote or suggest whether the item is concluded or not, I wonder if I could remind them that there is some information that I have requested under this item of discussion. It may generate more questions later, so I am wondering if the Members would bear with me and just leave this item on the agenda. We do not necessarily have to bring it up again, but it does not hurt to leave it there, as far as I am concerned.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Ootes.

MR. OOTES:

Madam Chair, I move that we report progress on this item.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. I understand that motion is not in order. What item would you like to go to next on the order paper?

MR. OOTES:

Madam Chair, I recommend that we consider Bill 8, Appropriation Act, in concert with Committee Report 02-13(5) and Committee Report 03-13(5).

CHAIRPERSON (Mrs. Groenewegen):

We will proceed then with Committee Report 02-13(5), Standing Committee on Government Operations, Report on the 1998-99 Main Estimates. I will suggest a short break while we get Mr. Hamilton and Mr. Ningark in the House. Thank you.

--Break

CHAIRPERSON (Mrs. Groenewegen):

I would like to call the committee back to order. In the absence of the Speaker, if the committee agrees, we will stand down the Legislative Assembly and move on to the Executive. Is everyone agreed? Agreed. Before we commence our review of the estimates for this department I wish to briefly remind Members of the process we will be following as we undertake this review of the 1998-99 Main Estimates. Firstly, the order of departments to be reviewed is listed on our orders of the day. You will note that the order mirrors the sequence by which departments are laid out in your main estimates book. Unless this committee decides otherwise, we should attempt to follow this listing as we must be aware of the need to schedule the appearances of Ministers and their witnesses. This degree of certainty should assist all Members in conducting a constructive review process.

On the Department of Executive, would the Minister like to provide opening comments on the departmental estimates, please. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. I appreciate the opportunity to discuss with you the 1998-99 Main Estimates for the Department of Executive.

The Department's 1998-1999 O and M budget is \$10,326,000, which is a decrease of \$189,000 from last year. The funding is allocated among the department's four activities as follows:

1. The Commissioner's office activity is budgeted for two positions and \$226,000.

Page 356

2. The Ministers' offices activity is budgeted for 23 positions (not including the Premier and seven Ministers) and \$4,011,000. This includes the offices of the

- Premier,
- seven Ministers,
- principal secretary,
- press secretary, and
- Women's Advisory program, which includes \$588,000 for grants and contributions.

3. The Cabinet Secretariat activity is budgeted for 47 positions and \$5,607,000. The Secretariat includes:

- secretariat management,
- official languages unit,
- personnel secretariat,
- division review secretariat,
- intergovernmental affairs,
- corporate services division, and
- legislation and house planning.

4. The Public Utilities Board is budgeted for two positions and \$482,000.

The department's 1998-99 budget is little changed from the previous year. Funding for the Commissioner's office and for the Public Utilities Board has not changed at all. Funding for Ministers' offices has increased slightly by \$365,000. This increase will cover the costs for the Western Premiers' Conference, our enhanced communications effort, and additional grants and contributions and conference funding for the Women's Advisory. The increase in the Ministers' offices has been offset by a reduction in fund for the Cabinet Secretariat.

Madam Chair, while the budget may remain relatively static for 1998-99, that cannot be said for the activities we anticipate for the department. Two areas in particular deserve singling out. The first, of course, is the creation of two territories, where our efforts will become much more concentrated as we prepare for the actual hand over of responsibilities to the new territories. While those preparations have been very much the focus of the Division Secretariat in the past few years, the immediacy of the change will serve to concentrate our attention on it even more. The second area is in intergovernmental relations, where we have seen significant progress in the past year. We are beginning to benefit from our new and strengthened relationships with other governments and with the federal government. Our contact with the western provinces in particular has been helpful. I anticipate being able to build on the sound foundation of intergovernmental relations developed to date, and believe that doing so will be essential as we move to two territories. Indeed, my recent trip as part of Team Canada has reinforced for me just how important intergovernmental relations are and this will continue to be an important focus for the department in 1998-99.

Madam Chair, there are two areas where I anticipate change in the budget for the year 1998-99. The first relates to the functions of the official languages unit. These functions are being transferred from the Department of the Executive to the Department of Education, Culture and Employment. This change is not reflected in the main estimates, but will be included in the forthcoming supplementary budgets. The second relates to the Personnel Secretariat. As you are aware, the Personnel Secretariat was scaled back considerably when the responsibility for staffing was transferred to departments. The Personnel Secretariat retained responsibility for developing staffing guidelines, for training staffing practitioners in departments and for monitoring staffing actions across the government. The transfer of the staffing function is complete and departments now have human resource staff who are trained in the staffing function. I am, therefore, re-examining the functions of the Personnel Secretariat, as well as other human resource functions, to determine what changes may be needed. I hope to have the results of this review within the next two months.

Madam Chair, we have already accomplished a lot in this budget year with the resources that were appropriated for us. The budget before you will give us the resources that we need to continue our work

for the next year. Thank you. I would be pleased to answer any questions you may have.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. Madam Chairperson, under the Executive there were, as noted by the Minister, certain expenditures. I would like to just address at this time one concern that we have at our tabled report concerning the Executive and the Personnel Secretariat. The Premier advised us that his department is re-examining the functions of the Personnel Secretariat. He indicated that it may be too soon to know what, if any, changes may have yet to be made. If further reorganization is required, it will likely have an impact on the budget for 1998-99. The committee noted that there appears to be more human resource personnel in government than there were in the centralized Department of Personnel. The committee requests an analysis of the potential efficiencies and economies of scale realized by the current decentralized service delivery model.

I am aware, Madam Chairperson, that the Government Operations Committee, after our committee, raised a concern with Personnel. Mr. Erasmus, the chairman of that committee, will be bringing forward a motion at the appropriate time to deal with some of these concerns. That is the Standing Committee on Infrastructure's report on the Executive during the Report on the Review of the 1998-99 Main Estimates. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Would the Minister like to bring in witnesses?

HON. DON MORIN:

Thank you, Madam Chairperson. Yes.

CHAIRPERSON (Mrs. Groenewegen):

Is the committee agreed?

Page 357

SOME HON. MEMBERS:

Agreed.

CHAIRPERSON (Mrs. Groenewegen):

I will ask the Sergeant-at-Arms then to please bring in the witnesses. Mr. Morin, could you please introduce your witnesses for the record?

HON. DON MORIN:

Thank you, Madam Chair. On my left is Andrew Gamble, secretary to Cabinet and on my right is Dave Waddell, director of corporate services. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Are there any general comments on the Department of the Executive? General comments. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Dealing with the Executive, in regard to the whole area of employment and such like, especially in the senior management area of this government there was a lot of concern raised in regard to the whole area of affirmative action within this government and the lack of affirmative action candidates, especially at the senior levels of this government. Could the Premier tell us exactly what changes have been made and exactly what has been done to ensure ourselves, as Members, that that has been looked at in regard to this budget and if he has any comments on that?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. Some of the Ministers of government, including myself, that direct appoint deputies, ADMs, people into government that are affirmative action candidates from the Northwest Territories, as well as every deputy has a human resource plan in place of how to identify people in their department to train them so that they can move up to management level. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Could the Premier tell me exactly how many affirmative action individuals do we have within the senior level of this government in

regards to deputy ministers and Ministers, especially in that area, in regard to the managerial area? Could he tell us exactly where those increases are and if so, how many and who are they?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you. The affirmative action for the Executive office employees, there are 70, Inuit one, Dene seven, Metis six, indigenous/non-aboriginal 16, other 40. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. I could not catch that. It is either noisy in here or I could not pick it up. Could you ask him to repeat the answer?

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Morin, could you please repeat that answer?

HON. DON MORIN:

Thank you, Madam Chair. Department of the Executive numbers 70 employees, Inuit one, Dene seven, Metis six, indigenous/non-aboriginal 16, other 40. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Could you give me a breakdown of exactly which departments these affirmative candidates are in exactly, where are they?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. This is for the Department of the Executive.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. Are these senior positions or secretaries, exactly what classification do these people have? Are they in the senior management level in the Executive or are they people who are receptionists, or what? Can we have more clarification on exactly what the qualifications these people have and what sector are they working in?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Would you have that level of detail, Mr. Morin?

HON. DON MORIN:

No, I do have total management employees at 14, indigenous aboriginal one, indigenous non-aboriginals three, female employees five. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. In regard to that, so we have one aboriginal person working in the managerial area?

CHAIRPERSON (Mrs. Groenewegen):

Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. Yes.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Next on the list I have Mr. Erasmus. General comments, questions?

MR. ERASMUS:

Thank you, Madam Chair. During the last session, I had indicated to the Premier that I had done some research on the central switchboard that we had done away with and the fact that it was well over 90 percent of the people who we had contacted, and I think we had contacted something like 80 people or so, well over 90 percent of them

had indicated that the central switchboard should be reactivated. Many of those people were not able to use the Internet. Some of them because they did not know how, others because they did not have computers, whatever. Also, even the information we do have on the Internet becomes outdated so quickly that it just was not working. At the time the Premier had indicated that he was going to look into this and see whether it would be a good idea to indeed reactivate the central switchboard. I was wondering if the Premier has had adequate time to research this, and if he did, what is his decision? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. I appreciate the Member raising this issue with myself. I have had the opportunity to look into it and discuss this with my staff. I have had the opportunity to get a briefing, a note, from DPW who was in charge of the central switchboard. They felt that there was no need to reinstate the central switchboard, but we did further investigation into it. We find that because of amalgamation of the departments and division going to happen soon, people are having a problem contacting certain people within government because you cannot produce updated telephone directories fast enough because of the change in government right now. So I have instructed my secretary to Cabinet to deal with the deputies and reinstate a central phone line for the Government of the Northwest Territories so that people have one phone number to call, and the person who talks to them will know how to get a hold of the rest of the people in the government.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Erasmus

MR. ERASMUS:

Thank you, Madam Chair. I did not have any further questions, but I just want to indicate that I think it is a good thing to know that this government can do things, and when they realize that they have made a mistake, they can go back and reinstate something that may have been there in the past. I would like to thank the Premier for doing this small thing which

does not really cost that much, but I think is a big service to the public. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Erasmus. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. Just to help jog the memory of the Member, we have reduced many services in government. It was not a mistake. We have looked, and we are changing the way that service will be provided to the public because the honourable Member raised the concern, and rightfully so. The concern he raised on behalf of the public is a legitimate concern. We will address it, and we will put in a communications system so that the general public can get in touch with government people, but it will not be the same system that was there that we had cut, and we rightfully cut. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Next on the list, general comments, I have Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. I just have a few questions in regard to the hiring of senior management as well. First, I would like to acknowledge the fact that the Premier, as of late, in his last number of appointments, has been hiring northerners and aboriginal northerners, as he indicated, mainly through direct appointment. My question to the Minister would be in light of the fact that there may be a number of qualified northerners that we may not be aware of or that the Premier himself may not be aware of. Would he consider, say, with his next senior appointment; the deputy minister of Public Works who is apparently leaving, when that position becomes vacant, would he consider putting that out to a northern competition so that in fact qualified northerners could apply?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. What we are looking at doing for the next deputy minister level appointment is looking at an expression of interest from government employees. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. Could the Premier elaborate on expression of interest? Is that the same as an internal competition? Is that what you are looking at?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Premier Morin.

HON. DON MORIN:

Thank you, Madam Chair. We have brought people from the private sector and people from other places in the Northwest Territories, and this one here, we would like to fill it with a person from within government. I do not know whether it would be open to everybody in government or not. We really have not got that far in the discussions. We are looking at talking with my secretary of Cabinet on how best to carry out this function of being able to get interested people, qualified people to express an interest.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Madam Chair. I agree with the approach, and I agree as well that I would think that there are a number of qualified people in the government who may be able to do that job and should be given the opportunity. Would the Premier, when he is looking at finalizing the approach, consider in fact making it like an internal competition so that in fact all qualified government employees could stick their name in for consideration?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Miltenberger. Mr. Morin.

Page 359

HON. DON MORIN:

Thank you, Madam Chair. It is a good idea.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. I do not have anyone else on the list here.
Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. The Premier made reference in his opening remarks to the increase to cover certain costs. I note one area is the Western Premiers' Conference. Could he tell us when that conference is slated for? I understand there is going to be one slated here in the territories.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Premier.

HON. DON MORIN:

Thank you, Madam Chair. The Western Premiers' Conference, that is Manitoba, Saskatchewan, Alberta, BC, the Yukon Territory, and the Northwest Territories. We have the privilege of hosting that conference in Yellowknife right at the very beginning of July. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Thank you, Madam Chair. The next item was the enhanced communications effort. Could the Premier comment and expand a bit on that particular program?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Premier.

HON. DON MORIN:

Thank you, Madam Chair. We have enhanced our communication effort and we have formed an interdepartmental communication working group, developed a government style guide and guidelines for government communications, introduced a new employee newsletter, introduced the new government home page on the Internet, coordinated the efforts for department's web sites and establishment of web guidelines and standards, developed a government media relations program and initial work on the crisis communication plan for improving communication in emergency situations.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Yes, thank you, Madam Chair. Is there also a program to what I would call an external communications program that addresses communicating with southern Canadians and trying to reach them?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. Yes, we have been doing that as well. I myself attended the Press Club in Ottawa and gave what they call a morning breakfast and evening night, NWT night. It was well attended and it went over very well. We will be also going into other provincial jurisdictions, meeting with other premiers and getting press out of that as well.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. On the list next, I have Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. In regard to the Team Canada that this government is participating in, has this government signed any contracts or agreements with any foreign countries for the Northwest Territories to do business in regard to those trade missions? Have we signed any contracts or agreements on these trips?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Premier Morin.

HON. DON MORIN:

Thank you, Madam Chair. This was my first Team Canada trip, and no, we did not sign any contracts.

CHAIRPERSON (Mrs. Groenewegen):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. In regard to the 1998-99 budget, there has been money allocated for that. When is the next Team Canada trip and exactly when is it going to take place?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. We had an opportunity to talk about that on this Team Canada trip with the Prime Minister. Team Canada trips are driven by the federal government and we, as Premiers of all provincial jurisdictions, are invited to participate. We have more involvement now because we help put the agenda together and things like that. In the meeting we had, we talked about, and it has not been confirmed yet, the possibility of having the next Team Canada trip in the fall instead of in January. That would be the fall of 1998, and it would go to Russia, Poland, and the Ukraine. I think for us in the Northwest Territories, there is good potential in those areas, a great potential in Russia because of our expertise, our building technology. There is no country in the world that has better building technology than the Northwest Territories does. We already have businesses doing business over there. We can have more if there was a way of guaranteeing payments. So there are issues to be addressed with those governments. I followed up on this past trip, the main reason for going was a personal commitment to the Prime Minister that I would attend. I kept my word. I did attend. I did go for two weeks. We cemented our relationships with other provincial jurisdictions during the two weeks. We also met many business people. There may be possibilities of subcontracts to other major contractors, especially out of Alberta. I think it is good that Canada goes and shows the world that they are interested in doing business, and it looks good for Canada. So if I can do my part for my country, I will. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Premier Morin. Mr. Krutko.

Page 360

MR. KRUTKO:

Thank you, Madam Chair. In regard to the area of the official language unit, especially in the area of aboriginal languages, there seems to be a real lack of funding in that area in regard to the aboriginal languages that are trying to survive, especially in regard to Gwich'in and especially with the younger generations where there is a real need to try to influence the younger generation and also start

practising those languages not only in school but at home. There is talk about moving that from the Department of the Executive to Education. What role have the aboriginal groups played in regard to that decision and have they had an opportunity to be involved in any way in that decision being made or have they been consulted on that?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. As Members know, there was a transfer from the official language unit out to the communities. The communities had requested that official language funding be transferred into the regions so the communities can use it and that is what we did. We moved the money out so that communities themselves can be in charge of their own official languages. We are also working on transferring the official language unit to the Department of Education, Culture and Employment where it rightfully should be, in education, so hopefully that work will be done soon. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Madam Chair. My question is in regard to the whole area of personnel we have working in the Executive, especially in regard to the large turnover we have seen in the last year. Could the Premier tell us what has been done to try to resolve this area of concern where it seems as if there is a high turnover? What is his department doing to try to ensure that people are in those positions and filling the vacancies that are there now?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Krutko. Premier Morin.

HON. DON MORIN:

Thank you, Madam Chair. I think that traditionally the turnover in government is around 20 percent and because of downsizing and amalgamation, we realized there had been quite a turnover in government. We had a good program for our employees, a compensation program. We also have a good program for employees seeking employment if

they were laid off. They would have a high priority status. So we are working with our employees to ensure that those who want to continue to work with the territorial government, we try to give them every opportunity we can.

We are also looking at the human resource functions and the decentralization of those functions. It is widely supported and generally effective. There remains a need for a small central group of people to provide specialized expertise and coordination of policies and organization-wide initiatives. The central human resource group would include the remaining positions in the Personnel Secretariat. The role of this human resource group would be as support for the departments. The human resource managers from departments have discussed the type of work the central human resource group would be doing and made recommendations that the senior management committee will review, in the near future. Some potential functions for the central human resource group would be to support human resource planning for the GNWT, provide overall coordination of affirmative action planning, coordinate casual summer student hiring, staffing, support the human resource part of the transition to two territories, provide specialized expertise for the staffing process, coordinate management development and succession planning, review and revise policies and procedures as needed.

So, that is kind of the direction we are going. We talked about that earlier, about the personnel staff who were left. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. That was a 10 minute time segment, Mr. Krutko. If you do not mind, I think we will move on to the next person on the list and we can always come back to you. Next on the list I have Mr. Picco and to remind the Members, these are general comments, some of the questions that are being raised here could be more appropriately raised under the detail of the line items. Thank you. Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. Madam Chairperson, over the last several months there have been many concerns and calls for ministerial resignations and I have brought up in this House before that the call for those resignations, answered by the Premier and, of course, I am addressing this to the Premier because it is under the Department of the

Executive and because he has full control of the government. He is the titular head of government as it were. Thank you, Mr. Miltenberger. Anyway to continue my line of questioning before I was rudely interrupted by some other Members, I would like to ask the Premier, is there a stated policy within this government, in the Executive concerning calls for resignations of certain Ministers. Are they just brushed aside or does the Premier actually investigate the reasons for these types of incidents to see if there is legitimacy in these complaints or concerns? What is the protocol of the department for that? Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Premier.

HON. DON MORIN:

Thank you, Madam Chair. I take a serious look at it. I look at who is calling for it and then I decide and let them know.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. I would have thought that within the Executive branch of government that the Premier, in consultation with his Cabinet which makes up the Executive department, would have probably discussed

Page 361

those types of things, those issues when they come forward and he would consult with his other senior Cabinet Ministers who have been in Cabinet for a while, like himself who has been around for quite a while, to see what the issue would be, instead of just making a decision. If I am understanding it correctly, he makes the decision, says no, yes or no, or indeed does he talk to the other Members? If it is a concern, for example the Keewatin one - we have had a concern coming out of one individual riding - does the Premier then consult with other Members, and they could be Ministers or Members, in that area and ask them for their information which might be pertaining to the information for the request for resignation? I am just wondering how that works to the executive style of government. I was not sure if that is what the Premier had said earlier. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. For any given Minister if some person is asking for their resignation, guaranteed I will talk to that Minister and sometimes I do talk to the other Ministers. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Picco.

MR. PICCO:

Thank you. I do not want to belabour the point. I think just for clarity purposes, for the people of the Northwest Territories, the Premier has stated, and I think stated very eloquently here today and articulated his point very well, that, indeed, he takes ultimate responsibility for the decisions made for each individual Minister, because under our parliamentary system, am I not correct in assuming and maybe I would ask the Premier, indeed, under the Department of the Executive is it not correct that the Premier has the ultimate responsibility for decisions made by his individual Ministers. Is that correct?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. Yes, that is correct. Also, Madam Chair, I would remind Members that if one of your constituents wants the resignation of one of our Ministers, you, as an MLA, can ask for it any day the session is on, you have that right. We serve at pleasure to this House. If you feel we do not please, put a motion on the floor. You can take any one of us out. That is how this consensus system is set up. That is completely up to you. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. I think most Members are aware that, indeed, as a group of individuals all elected by the constituencies that we represent, they have that ultimate right to ask for the

resignation, and then, of course, there would be the matter of having the number of votes within the House. But I am just wondering on that process that is in place from the Premier and the Executive branch of government. We are dealing with the Executive here, and we are looking at the main estimates which would guarantee the spending patterns and so on of the Executive offices. I am wondering if there is any influence given by the Executive office on the awarding of contracts and so on or are those done by individual departments? So, for example, earlier today we had heard that when leases come up for negotiation, the deputy minister, in response to an earlier question, had the authorization of entering into a lease agreement. So I am wondering is that a standard practice within the government. Indeed, did the Executive branch of government give that responsibility for leases and so on and so forth to the deputy ministers or to functionaries within departments or does that actually, ultimately, come back to the Minister or the Premier for his approval? Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Mr. Morin.

HON. DON MORIN:

Thank you, Madam Chair. The particular lease you are talking about the deputy minister would have the authority to award that lease or extend that lease. It would depend on any given lease. As long as within that lease you have the authority as the deputy minister to extend it, then you can do it. But if the lease is ended and you wanted to extend it, then that would be a negotiated contract and the only way you can negotiate a contract is through the Cabinet. Then, there are very clear rules of how you can do that, but in this case it is not a negotiated contract. It is an extension of a lease, I understand, so that the deputy can do that.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Morin. Mr. Picco.

MR. PICCO:

Thank you, Madam Chairperson. I would just like to move on now under the Cabinet Secretariat, under the Department of the Executive and ask some questions in this area. Under the Cabinet Secretariat, under the corporate services division, I am wondering if the funding for those positions under the corporate

services division, do they also include special attachments or special employee positions in Ottawa, for the Ottawa office of the Government of the Northwest Territories?

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. That is a specific question on a specific activity and we are on general comments and questions, so I will have to ask you to re-ask that question when that activity comes up on the detail consideration of a bill. Any further general comments Mr. Picco?

MR. PICCO:

Thank you, Madam Chairperson. No, Madam Chairperson, I will give the opportunity to someone else to make general comments on the Department of the Executive. Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Picco. Next on the list I have Mr. Roland.

MR. ROLAND:

Thank you, Madam Chair. Following up on earlier questions presented by Mr. Ootes, referring to the type of message we are sending to southern Canada and other

Page 362

places, maybe the Minister if he could, with the meetings and the different functions he mentioned, what is the message the Premier, as head of this government, is sending out to the rest of Canada and other countries? Thank you.

CHAIRPERSON (Mrs. Groenewegen):

Thank you, Mr. Roland. Premier Morin.

HON. DON MORIN:

Thank you, Madam Chair. The Northwest Territories is one of the best places to invest in this country. The Northwest Territories is the last frontier of this country. The Northwest Territories is one of the most responsible governments in this country. We have balanced our budget in the last two years. We have cut over 20 percent of our spending to do that. We did not do that without a lot of pain and without a lot of personal commitment but we have done it. That is the

way we do business in the Northwest Territories. Like I said earlier, we are the last frontier. We have some of the most beautiful mountains, the cleanest lakes, the cleanest waters. We have a vast variety of landscapes, from the icebergs in the frozen sea in the east to the warm, big plains around Thebacha. We are where the action will be as long as we are allowed to develop. We are willing, capable and able to develop the Northwest Territories as long as the federal government does not get in our way. We do not need no bureaucracy or no bureaucrat in Ottawa saying yes to diamond projects in the Northwest Territories. We can do that ourselves. We are capable of doing it. We are capable of handling health care.

We are capable of handling education, we are capable of handling investment. We do those things and we are quite capable of doing those things. So, why would the federal government, on the other hand, say we are not capable of handling our minerals, our mining, our resources? That is basically the tone of the message I use when I go south. I try to attract investment. I try to attract people to look north. Pay attention. I just came off a trip with 520 people on Team Canada, all looking at places to invest. One question I asked them, why do you not look North? Why do you not look in Canada? We have a lot of opportunity, but I still feel that the biggest hindrance to development in the north is the federal government. I strongly feel that because all you have to do is get in your vehicle and drive south, the minute you pass the 60th parallel you barely have room on Alberta highways. You cannot even get a hotel room. Why is that? That is because the provincial government is in charge of development. The provincial government calls the shots. The oil does not stop at the 60th parallel. The resources do not stop at the 60th parallel. The only difference is, you have Alberta handling one side and the feds handling the other. That is the problem. The sooner we get devolution to the Northwest Territories; the sooner we get development in the Northwest Territories; the sooner we will pay our own way in this country. That is, basically, what I tell southerners.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. I would like to thank the Premier for that response. It sounds like we are getting a good message. Hopefully, we will see some

results in the future to reflect on the message we have been sending. It is important. One of the other things I would like to say in general comments is there have been many changes happening in the north, as well, and constitutionally, as well as the changes in government process. I am wondering if the Premier will be, at some time in the near future, stating to the people of the territories the changes or the work that is ongoing? When it comes to this government and how it sits as representatives of the people, I wonder if the Premier will be at sometime in the near future making any comments to the people as to the change and the process to change. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. Normally we do that at the beginning of the budget session. But I was not here for the start of the budget session so we, as a Cabinet, through our Finance Minister, presented the budget. We wanted to concentrate on getting the budget done. I will be doing that in the very near future. We are working on that now. We are looking at the costs of either doing it on TV or in the Legislative Assembly or a combination of both so that we are forward looking instead of what has happened in the past. The potential that we have as a territory, as two new territories, and how we can express that to people so that there is no doubt in their minds that our potential is great and the key is that we have to work together to achieve that potential. We are working on that address now.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. I would like to take this opportunity to welcome and recognize my boy, Waylon, up in the visitors' gallery.

--Applause

And his friend, I am not familiar with him.

--Laughter

Welcome to the Assembly. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. I guess one of the things I am finding in the territories, as a government representative of the people, is the things we do can

either stabilize situations or make them unstable. So, I guess my interest in the previous question I just asked was any idea of stabilizing the residents of the territories to the situations that are occurring. So, the political environment is one of those very key areas. I wonder, the Minister mentioned they are working on something that he will be presenting in the near future, but will this political arena and the political environment be included in this? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. You wish to respond, Mr. Premier.

HON. DON MORIN:

Thank you, Mr. Chair. Yes, for sure. The creation of two new territories and the ability for both territories' residents to work together is important. Political stability is

Page 363

important for both new territories, as well. So, we will be discussing that issue, as well, talking about it in depth.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Further questions or comments, Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Yes, further to the previous comment I just made, I think as well as the political environment for the creation of two new territories that is key to stability, but as well, being a representative from the west, in Inuvik particularly, many changes that are being looked at, those are the areas of interest I have as well. I am wondering once division is final, will part of your comments or the message you will be sending in the near future, include some of the changes or possible changes that will be occurring in the west? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Roland. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chair. We have a constitutional development process in place that is spearheaded by the Minister of Aboriginal Affairs, Mr. Antoine. I have

had many meetings now with the Minister of Indian Affairs, the new Minister, Jane Stewart, and we just came out with a joint statement saying that the new western territory will have a strong central government system. She has made it clear to me already, the new Mackenzie Valley Resource Management Act will be in place right from Fitzgerald all the way up to the Inuvialuit lands.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. General comments on the department. If there are no further general comments, I have Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. As regards the Public Utilities Board, I note that the amounts are basically the same as last year. We have ahead of us Nunavut. Will there be any work done by the Executive through the Public Utilities Board in setting up a similar organization in the Nunavut Territory and what funds would be used there?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. I have to take that question as notice because I am getting countered. I need to find some information on that. Thank you.

CHAIRMAN (Mr. Steen):

Mr. Morin, you get the question as notice. When will we be able to receive some information? Do you have any idea?

HON. DON MORIN:

Thank you, Mr. Chairman. Tomorrow.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Possibly, Mr. Morin, if we reach Public Utilities Board tomorrow, the actual activity itself, we will be able to respond at that time, Mr. Henry. You have further comments, questions?

MR. HENRY:

Not right now, Mr. Speaker. I will get to it when we go live.

CHAIRMAN (Mr. Steen):

If there are no more general comments. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the number of employees we have within the Executive, do you have an idea of the number of vacancies that are presently in place in regard to the Executive?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. I would not know the exact amount, but my staff tell me there are not very many vacancies.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

I believe the microphone got cut off before you responded. I believe you said six or seven?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chair. Yes.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Could you tell us whereabouts those vacancies are?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chair. I cannot give that detailed information right now. I do not know.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. When can we receive that information in regard to the vacancies and where they are?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chair. Tomorrow.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Further comments, general comments for the department. If there are no further general comments on the department is the committee prepared to proceed to the detail of the estimates.

CHAIRMAN (Mr. Steen):

Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Thank you. We would then start with page 2-10, activities summary, Commissioner's Office, operations and maintenance, total operations and maintenance, \$226,000. I recognize Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I do not believe we have quorum.

CHAIRMAN (Mr. Steen):

Mr. Erasmus. I will ring the bell.

Page 364

I recognize a quorum in the House. We are on operations and maintenance, total operations and maintenance, \$226,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Thank you. Total expenditures, page 2-10, \$226,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Thank you. Minister's office, activity summary, Ministers' Office, operations and maintenance, total operations and maintenance, \$4,011,000. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chair. Under the Women's Advisory section, do we still have staff in that area?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Morin, do you wish to respond?

HON. DON MORIN:

Thank you, Mr. Chair. One.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Is that a reduction from last year or is that a continuation? I mean is it still the same as last year?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chair. It is still the same.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. I have total operations and maintenance. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. I wonder if the Premier could tell us in the O and M budget if there is any

discretionary allowance there for the office of the Premier to do issuing of contracts with consultants?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. I do not have any contract money directly related to myself in this budget. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. So, there is no money in this O and M for the Premier to issue any kind of contracts, say over \$25,000 to do consulting works and specialty projects that may come up through the year that may need to be addressed?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. If I needed to get a contract done from a consultant, they would find it, if I asked them to find the money, the staff. If I needed a specific thing done, they would have to find the money or I would have to come back in for a supp or something like that. If I needed the work done, I would get it done. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Thank you. I just do not understand the answer. Is there money in here that would be regarded as discretionary spending then for consultants and if so, how much is identified in the O and M for discretionary spending for consulting work or other types of emergency situations?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. There is no money in my budget for discretionary funding to hire consultants for myself. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. I wonder if the Premier could provide me with some broad information on the O and M budget of \$1.164 million?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. Travel and transportation \$549,000, materials and supplies \$46,000, purchased services \$54,000, contract services \$340,000, fees and payments \$15,000, other expenses \$126,000, minor furniture and equipment \$34,000. That is all the Ministers plus the public relations offices for a total of \$1.164. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. I have total operations and maintenance \$4,011,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Mr. Ootes.

MR. OOTES:

The Premier mentioned contract services of \$340,000, could he provide a little more detail on that please?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. The biggest chunk of that \$340,000 contract services is for the duplicate residence of all the Ministers that live in Yellowknife that is covered under the service policy manual and

also some of it is for the communications strategy.
Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. It is for the Ministers' residences and the communication strategy. How much is in the communications strategy?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Ootes. Mr. Morin.

Page 365

HON. DON MORIN:

Thank you, Mr. Chairman. Around \$120,000.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. I have total operations and maintenance \$14,011,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Total expenditures on page 211, \$4,011,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Cabinet secretariat, page 212, activity summary cabinet secretariat, operations and maintenance, total operations and maintenance \$5,607,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to cabinet secretariat intergovernmental affairs, it lists the offices

and contacts between governments, federal government and provincial, do you have any connection between, and the group I am talking about is the Gwich'in First Nation which originated from Alaska to the Yukon to the Northwest Territories? Is there any collaboration between this government and the American government in regard to the United States of their international jurisdictional concerns that may arise from the aboriginal groups through things such as the Jay Treaty where there are international agreements in place between aboriginal groups in the United States and Canada. Does this portfolio look at items such as that or have they made an attempt to?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin, do you wish to respond to that question?

HON. DON MORIN:

Thank you, Mr. Chairman. Intergovernmental Affairs would assist in the preparation of strategies to address intergovernmental and international issues, maintains and coordinates official contacts between the GNWT, the federal, provincial, Yukon and circumpolar governments. So we do have contact with, it would be Alaska as well being a circumpolar government. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Could the Premier tell me exactly what resources are available to, say, interest groups who may have an area of interest between jurisdictions. Is there financial assistance to an aboriginal group attending events in different jurisdictions? Are there funds there to look at the whole area of trade between jurisdictions? Is there anything in this budget in regard to O and M? You have \$2,011,000, is any of that money allocated for such usages?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. We do not have money in our budget for that type of activity. Possibly there may be dollars available from a line department, for

example, if it was a wildlife issue they could apply. I would not guarantee there is any money there either, but I know it is hard enough for our communities and our aboriginal people to find money to meet amongst themselves let alone going internationally. So, it is tough, but it would be a line department. If there is an economic development conference, for example, you would go to Economic Development. If there is a conference on wildlife, you would go to RWED, but what their luck would be, I do not know.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Morin. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Can a department look at the possibility of finding funds, in consultation with the affected organizations, in regard to this bilateral arrangement between jurisdictions so that they can sit down with this government to find monies for consultation with these groups to see exactly what those issues are and finding ways of adapting them to the next budget so that these areas are looked at?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. With ten seconds left I will recognize the clock and you will have to ask your question again tomorrow, Mr. Krutko. I thank the witnesses and the Minister. I will recognize the clock and rise to report progress.

DEPUTY SPEAKER:

I would like to call the House back to order. Item 21, report of committee of the whole. Mr. Steen.

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Tabled Document 15-13(5) and Committee Report 3-13(5) and would like to report progress. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

DEPUTY SPEAKER:

Thank you. Seconded by Mr. Antoine. The motion is in order. All those in favour? Thank you. The motion

is carried. Item 22, third reading of bills. Item 23, orders of the day.

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, the meetings for tomorrow at 9:00 a.m. is the Standing Committee of Infrastructure. Also at 9:00 a.m. are the Standing Committee on Social Programs. Ordinary Members' Caucus for 11:00 a.m. tomorrow.

Orders of the day for Wednesday, January 28, 1998:

1. Prayer
 2. Ministers' Statements
 3. Members' Statements
- Page 366
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. Replies to Budget Address
 11. Petitions
 12. Reports of Standing and Special Committees
 13. Reports of Committees on the Review of Bills
 14. Tabling of Documents
 15. Notices of Motion
 16. Notices of Motions for First Reading of Bills
 17. Motions
 - Motion 11-13(5), Referral of Tabled Document 19- 13(5), Guidelines for Implementing Public/Private Partnerships to Committee of the Whole
 18. 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

- Bill 9, Loan Authorization Act, 1998-99

19. Second Reading of Bills

20. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 8, Appropriation Act, 1998-99

- Committee Report 2-13(5), Standing Committee on Government Operations, Report on the 1998-99 Main Estimates

- Committee Report 3-13(5), Standing Committee on Infrastructure, Report on the 1998-99 Main Estimates

- Committee Report 4-13(5), Standing Committee on Resource Management and Development, Report on the 1998-99 Main Estimates

- Committee Report 5-13(5), Standing Committee on Social Programs, Report on the 1998-99 Main Estimates

- Tabled Document 15-13(5), 1998-99 Budget Address

21. Report of Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

DEPUTY SPEAKER:

Thank you, Mr. Clerk. This House stands adjourned until Wednesday, January 28 at 1:30 p.m. Thank you.

--ADJOURNMENT