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The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

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

ITEM 1: PRAYER

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

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Evaloarjuk. Good afternoon. Orders of the day. Item 2, Ministers' statements. Ms. Thompson.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 30-13(5): Safety Around Municipal Service Vehicles

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Mr. Speaker, I am pleased to announce the release of the Play Safe - Play Smart Children's Colouring Book, designed to encourage children in our northern communities to play safely around municipal service vehicles or equipment.

This colouring book is a powerful tool to raise awareness among young children about the dangers of playing on or near community vehicles and equipment. It will also encourage parents to participate and work with their children to reinforce the important safety messages contained in the colouring book.

Mr. Speaker, the main character of the Play Safe - Play Smart Colouring Book is Granny Safety, who delivers many safety messages to young readers. The character of a wise, older woman and mother was used to promote to children the importance of respecting their elders and listening to their words of wisdom.

Mr. Speaker, I would also like to express my heartfelt appreciation to the Johnny Oyakyoak family in Cambridge Bay, who lost their precious son last year in an unfortunate accident involving a water truck. The Oyakyoak family agreed to dedicate the Play Safe - Play Smart Colouring Book to the memory of their son, Jacob, who is featured on the back cover, in the hopes that his spirit will live on and prevent other children in the north from suffering similar tragedies.

Mr. Speaker, I am proud of this resource and will be providing copies to each of my colleagues later today. The Department of Municipal and Community Affairs will be working with the NWT Association of Municipalities to distribute the colouring books to community councils and schools for distribution locally. Thank you, Mr. Speaker.

--Applause

MR. SPEAKER:

Thank you. Ministers' statements. Mr. Dent.

Minister's Statement 31-13(5): Mine Trades Access Program

HON. CHARLES DENT:

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, despite recent downturns, the mining industry holds a good deal of potential for training and employing northerners. To help identify training opportunities for northerners, I established the Mine Training Committee late last year. The committee, a consortium of aboriginal leaders and industry representatives, has launched the first of a series of training initiatives.

Forty northerners are currently enrolled in the Mine Trades Access Program. The program includes a mixed curriculum of academic upgrading, personal life skills management and trades-related training that will prepare students for apprenticeships in a mining trade.

The training program began last October at the Aurora College campuses in Inuvik, Yellowknife and Fort Smith. Students have been selected from Inuvik, Rae, Wha Ti, Yellowknife, Detah, Ndilo, Hay River, Fort Smith and Lutselk'e.

This project is a collaborative effort between Aurora College and the mine training committee. It clearly demonstrates that industry and aboriginal leaders are taking a lead role in training northerners for careers in

mining. I congratulate all partners on their work to make this initiative a success. Thank you.

--Applause

MR. SPEAKER:

Thank you. Ministers' statements. Ms. Thompson.

Minister's Statement 32-13(5): Northerner Attends Olympic Youth Camp - Nagano, Japan

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. At each Summer and Winter Olympics the International Olympic Committee sponsors a youth camp for people between 15 and 20 years of age.

Mr. Speaker, I am very pleased to inform the Members that Ms. Shannon Swartzentruber from Fort Simpson has been selected by the Canadian Olympic Association to be one of seven representatives from Canada to attend the youth camp.

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Shannon was chosen from 162 applicants from across Canada, including eight who applied from the Northwest Territories.

This is a prestigious honour for this young woman who demonstrates so well the balance of education, athletic ability, volunteer experience and cross cultural sensitivity, which are the requirements for this program.

While at the camp, Shannon will participate in a variety of activities including;

- the opening ceremonies for the 1998 Winter Olympics,
- a tour of the Canadian Olympic village,
- a two day home stay program with a family from Nagano, and
- a cultural exchange program with participants representing other Olympic Nations.

Mr. Speaker, I would like to ask the Members to join me in congratulating Shannon Swartzentruber. She is a very special young woman and we wish her well as she represents our nation and the Northwest Territories. Thank you, Mr. Speaker.

--Applause

MR. SPEAKER:

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

ITEM 3: MEMBERS' STATEMENTS

Member's Statement 114-13(5): Progress Needed on Addressing FAS/FAE

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, many times in this House grand pronouncements are made and symbolic statements are issued, and then forgotten.

For example, Mr. Speaker, certain days or weeks during a sitting, Members will wear ribbons for AIDS awareness, poppies for Remembrance Day, and most recently lapel pins for FAS/FAE awareness. Usually Members will do a statement or questions during this time, but nothing seems to happen.

During FAS/FAE week most Members did ask questions and statements were made, and it would seem all was forgotten. Mr. Speaker, the Baffin fetal alcohol network is a non-profit volunteer organization working to promote greater awareness and understanding of the issue.

Currently they need money to create a series of public service announcements aimed at educating the public. Pauktuutit the Inuit women's organization has had some publications and translations done but more is needed. The Baffin FAS group thinks that approximately \$5,000 is needed for that work.

What is the point of identifying the problem if we do not have the professionals, the specialists, in place to do the work. Does the department have a strategy or plan to address these issues or again it is up to the health boards with their shrinking budgets again to identify the issue and prioritize it?

We all know groups and boards have to do more with less, but when you do more with less you get less done. Later today, Mr. Speaker, I will be addressing these concerns to the appropriate Minister. Thank you.

--Applause

MR. SPEAKER:

Thank you. Members' statements. Mr. Miltenberger.

Member's Statement 115-13(5): Health Board Difficulties

MR. MILTENBERGER:

Thank you, Mr. Speaker. Of late as I mentioned yesterday in a question to the Minister of Health and Social Services, the Department of Health and Social Services and the health boards have been in the news. Unfortunately for a lot of the wrong reasons and because of that there is a certain amount of concern about the state of affairs, have we made the right decisions and are we going the right way. Mr. Speaker, to me clearly we have made a significant investment in the direction that we have chosen to take in empowering the communities in giving control of programs and services and decision making to the community and regional level. Since I first became able to work and started working for the government back in the early 70s, I clearly remember the constant pull from the communities and regions for more authority and more decision making autonomy. I can well remember the days still of the Commissioner being a lord of all he surveyed and the regional directors being his trusty henchman in the regions. Now that we have made a transition to giving the decision making to the communities and to the people we cannot falter even though there may be bumps in the road. We cannot necessarily blame just the health boards if there are bumps in the roads. We have to recognize that there is a working relationship between the Department of Health and Social Services and the health boards. If one partner falters, the whole system suffers. If one partner falters it means they have done so because there may be problems on the other side. So when I see problems with health boards, we have to look at what kind of support is the Department of Health and Social Services providing. Are there adequate monitoring systems? Are there adequate evaluation systems? Is there board training so that board members know exactly what their mandate is? Is the department providing adequate coordination among health boards to deal with issues that cut across all boards, like specialist services like my colleague from Iqaluit mentioned? So Mr. Speaker, we are in this together, the department, as the Minister has indicated, has recognized the need to put

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systems in place. I think the health boards are more than willing to make a better go of this as long as we do this together. Thank you very much, Mr. Speaker.

MR. SPEAKER:

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

Member's Statement 116-13(5): Staff Housing Shortage

MR. BARNABAS:

(Translation) Thank you, Mr. Speaker. I would also like to say hello to my wife and my children at this time. My youngest child is five years old today. It is his birthday.

Mr. Speaker, last week or this week, I have heard questions being raised in this House and I am very sensitive to the questions that have been raised in this House, questions about the lack of housing in the communities especially for government employees. I have talked with the mayors in the Baffin region communities and they have expressed to me that there is lack of housing for staff, especially relayed to me by the divisional board of education in the Baffin region.

I have heard the same employees talk about it too as well from the Department of Health or the regional health boards, lack of housing. The divisional boards of education from the regions have been requesting to meet with us as a caucus especially to deal with the inadequate housing for their staff.

I have a feeling that the government does not really recognize the lack of housing that is being faced by those boards. They have heard from the Baffin region side, but I think this problem exists throughout the territories.

Yesterday I heard through the radio as well about this issue, about the Kitikmeot region having problems. Mr. Speaker, will we be able to hear from the health boards and the education boards and when we meet with the NWTTA we will probably hear from them again saying that they have inadequate housing for their staff. Thank you, Mr. Speaker. (Translation ends)

MR. SPEAKER:

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

Member's Statement 117-13(5): Manitoba Trade Mission

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, on January 6th and 7th of this year, I had the pleasure of meeting in Winnipeg with the Deputy Premier of Manitoba, the Honourable James Downey, who is also the Minister of Trade. Also present at this meeting was the Honourable Len Derkach, the Minister of Rural Development and a number of deputy ministers. Mr. Speaker, the purpose of this meeting was to discuss and promote increased trade between Manitoba, my constituency and the region in general. Also discussed was a possibility of a winter road between Arviat and Churchill and possible power grid options.

Mr. Speaker, I am pleased to announce that the Manitoba trade delegation will be travelling to Arviat and Baker Lake on the 16th and 17th of February to discuss and promote business between the two regions. Mr. Speaker, a delegation of approximately 35 people, or guests rather, are expected to include the Premier, Honourable Gary Filmon; the Deputy Premier, Len Derkach, the Honourable Darren Praznik, Minister of Health, the Honourable Glen Findlay, Minister of Highways and Transportation and the Honourable David Newman, Minister of Northern Affairs and Energy.

Mr. Speaker, we welcome this delegation and see this as a first step in better relations between the two regions. Thank you.

--Applause

MR. SPEAKER:

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

Member's Statement 118-13(3): The Need to Reflect on Health and Social Service Program Reductions

MR. KRUTKO:

Thank you, Mr. Speaker, my comment today is in regard to the whole problem in the area of health and social services in the Northwest Territories and the effects that it has on everybody as a whole, not one particular region, one particular riding, but everyone is affected by the decisions we make in this House and the decisions we make to change things. In regard to the whole health and social area we have made some drastic changes to the way things were done in the

past. Yes, changes are good, but changes come with a price.

I think sometimes it is hard to admit you are wrong. I think we have to realize with change, also we have to have the ability to step back, take a look and see how we can better the system in regard to the concerns that we have from the people we represent. Mr. Speaker, I am speaking about a statement made in this House yesterday by the Minister of Health and Social Services, Mr. Ng, regarding an action plan for the Keewatin region. I think the Minister cannot look at health as strictly a regional issue. It affects everyone. It does not matter which riding you come from, the east, the west, from the small centres to the large centres.

I think the Minister has to take a good look at the whole health and social services envelope which he is responsible for and not piece meal it back together by dealing with it on a regional basis. There have been several questions raised in this House from myself and other colleagues in this area. It seems like it is always our word against his or our word against regional boards. I think it is time, Mr. Speaker, that we seriously take a look at the whole health and social problems that we have in this area and stand up and say, maybe we made a mistake in regard to the whole decision of down sizing, amalgamating and also saving monies for the sake of cutting the deficit. Now we have a surplus, maybe we should seriously listen to the people it affects in regard to the people that we say we serve and the needs of the people of the north. Thank you, Mr. Speaker.

MR. SPEAKER:

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

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Member's Statement 119-13(5): Early Childhood Intervention

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my Member's statement will be on the issue of families. I would like to send greetings back to mine in Inuvik. Mr. Speaker, before I returned to Yellowknife, I had the opportunity to speak to a class at the Aurora Campus in Inuvik. Mr. Speaker, this class was taking part in the Social Diploma Program. I had an opportunity to address some of their questions and listen to their concerns.

One of the concerns that was raised was to do with the early childhood intervention. It is a good move and I believe a lot of people believe it is the right area to be moving into, trying to deal with situations before they become problems. Unfortunately, sometimes as we heard change is a difficult thing to take and move forward with. In this situation, although it is a good move, I think there needs to be more done. The situation in my community was an organization put forward a proposal that was to try to seek some funding through this early childhood intervention. They were denied because it did not focus on just children, it focused on the family.

Mr. Speaker, if we are going to do any changes and improve conditions for children, we have to focus on families. We cannot take children, put them in the classroom, no matter what age, and figure that they are going to learn it all there, because at the end of the day, they go back home. If the situation at home is not changed, what are we doing? We give them a few hours a day of instruction, send them back home and hope that they will teach the families, their parents? I think we need to continue to work on the whole situation of families. I would encourage the Ministers in the social envelope to look at further changes that would further produce and impact families positively. Thank you.

--Applause

MR. SPEAKER:

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

Member's Statement 120-13(5): International Year of Older Persons

MR. RABESCA:

Thank you, Mr. Speaker. Mr. Speaker, I rise today to recognize our elders, as my honourable colleague, Mr. Ng, announced in this House regarding the progress on plans for the International Year of Older Persons. Throughout our land we have many individuals who have contributed greatly to the formation of this country and for their respective regions. In my region we have had many great elders, Chief Jimmy Bruno, Chief Arrowmaker, Chief Mowhi and many others who have seen the future and realized the need for change.

All regions across our country have community members who have passed on or are in their later

years who contribute to the betterment of the community and the country at large. These residents are a great resource for us all and should be recognized for their contributions. I believe this will be a very worthwhile event and I hope the International Year of Older Persons will be promoted and recognized by our regions. Thank you, Mr. Speaker.

--Applause

MR. SPEAKER:

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

Member's Statement 121-13(5): Diamond Value-Added Industries

MR. HENRY:

Thank you, Mr. Speaker. Today, Mr. Speaker, I wish to once again visit the issue of value added industry and the diamond mining companies. Even though, Mr. Speaker, I note that BHP has exceeded their northern hiring and purchasing quotas as outlined in their socio-economic agreement, I cannot help but feel they are not willing to walk that extra mile with northerners. The north needs to diversify. If we continue to rely on a resource-based economy, our own economy will also continue to be subject to market fluctuations in the resource sector. The recent layoffs at the local gold mines are a prime example. What the diamond mining companies have to realize is that we are fighting for jobs for all northerners. We are fighting to stabilize the economy of our city, impacted by government cutbacks and mine layoffs.

Mr. Speaker, I am confident that the honourable Ministers Todd and Kakfwi are doing everything they can to lobby the federal government and the diamond companies to ensure that as much value-added industry as possible stays in the Northwest Territories. My honourable colleague, Mr. Todd, has gone even further, by stating that the GNWT would initiate a tax regime that could choke a mule if the Northwest Territories does not get a reasonable share of the secondary diamond mining spin-offs required. I am opposed to the introduction of a tax. I would much prefer, Mr. Speaker, to see jobs created and have the employees paying taxes to the government. We need one or the other. Taxes from the diamond producers or jobs for northerners.

Mr. Speaker, I understand that the diamond mining industry does not like the thought of any more taxes,

and most certainly, not the kind that would choke a mule. I wonder, Mr. Speaker, if the diamond mines would consider selling to the Government of the Northwest Territories or a similar organization, a Crown corporation, some of the run of mine product so that Crown corporation could in turn sell those run of mine product to employers who would bring that industry to the Northwest Territories so that we could get a start on a diamond cutting and polishing industry and the related industries that that would create. Mr. Speaker, we have to look at the innovative solutions to ensure that as much of the secondary diamond mining industry stays in the Northwest Territories for the benefit of all northerners. Thank you, Mr. Speaker.

--Applause

MR. SPEAKER:

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

Member's Statement 122-13(5): Canadian Gold Reserves

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MR. OOTES:

Thank you, Mr. Speaker. Over the last several days, I have spoken about the economic downturn in Yellowknife. A lot of our recent problems have to do with the low price of gold which has resulted in the closure of mines and the layoff of personnel. It may interest the Members to know the plummeting price of gold was triggered last year when some industrialized countries started selling off their gold reserves. Imagine my surprise, Mr. Speaker, to discover Canada is leading the way in this action. In 1980 Canada held 21 million ounces of gold in its central reserves. During the decade, Ottawa sold off 6.2 million ounces leaving our reserves at a still healthy 14.8 million ounces coming into the 1990s.

In the past seven years, Canada has virtually depleted its gold holdings so that we are now down to 3.1 million ounces, yet our G7 partners have all held their reserves steady at much higher levels. Instead of protecting a major segment of Canada's mining industry, Canada's actions have helped drive the price of gold down leading to mine closures and layoffs of hundreds of workers. Canada is a gold producing country. The federal government needs to demonstrate confidence in gold markets. The federal

government needs to be constructive. They should rebuild Canada's gold reserves by buying at today's low prices and reselling when the price rebounds. That would help stabilize gold prices and express confidence in the industry. Ottawa would benefit from royalties, employment, corporate and income taxes. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Member's Statement 123-13(5): Renewable Resource Officer Training Programs

MR. ERASMUS:

Thank you, Mr. Speaker. I rise today to speak about the safety equipment and training for renewable resource officers. Mr. Speaker, recently the renewable resource officers in the western NWT requested more training in the areas of enforcement, specifically, conflict resolution, investigative techniques and the safety equipment associated with the use of force. I support their request, Mr. Speaker. Primarily because when I was going to school in Saskatchewan, there were stories of officers in the remote areas. They came upon people who were poaching and whatnot and several times people were badly beaten and had to go to the hospital and that sort of thing. I support this. The reasons the officers are requesting this is because there is an increased number of acts and regulations they are expected to enforce and investigations and prosecutions have increased. Also, the conflicts associated with enforcement have increased, along with fines and jail terms which also have increased. This increases the potential for conflict. Usually, officers are alone when they conduct routine patrols in remote areas and they often encounter people they do not know. Many of those people have firearms. In the past a wildlife officer was familiar with the majority of people whom he or she met. Today, that is not true. You never know, the person whom they stop might be someone who is on Canada's most wanted list. I am glad to see that the Minister has recognized the potential for a problem and has instituted a health and safety committee. I urge the Minister to accept the recommendations from this committee to ensure that our renewable resource officers can do their job properly and safely. Thank you.

--Applause

MR. SPEAKER:

Members' statements. Item 4, returns to oral questions. Mr. Morin.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Oral Question 118-13(5): Opinion on Conflict of Interest

HON. DON MORIN:

Thank you, Mr. Speaker. I have a return to an oral question asked by Mr. Picco on January 28, 1998, opinion on conflict of interest. As requested by the honourable Member for Iqaluit, I have further information with respect to the appointment of the Minister of Finance and Minister of Resources, Wildlife and Economic Development to the Aurora Funds board and whether these appointments represent a conflict of interest.

It is the opinion of the Department of Justice that there is no conflict of interest. Neither Minister is compensated either directly nor indirectly for work or activities associated with the Aurora Funds. Therefore, they are not in a conflict of interest as defined under the Legislative Assembly and Executive Council Act.

Section 2, subsection C of the ministerial guidelines states:

Ministers shall not, except as may be required as a duty of office, hold an office or directorship in any organization other than a social club, religious organization or political party.

I would like to mention in the course of checking into this matter, it was discovered that through an administrative oversight the appointment of the Minister of Resources, Wildlife and Economic Development to the board of the Aurora Funds was not formally ratified by Cabinet. This oversight has no bearing on the conflict of interest question, nor on the Minister's activities to date in relation to the board. This appointment has since been formalized by Cabinet, as it is this government's opinion, backed by the legal opinion I have just

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outlined, that it is good government for the Minister of Resources, Wildlife and Economic Development, along with the Minister of Finance, to serve as

members and/or directors of the Aurora Funds boards.

I appreciate the opportunity to provide this information to the House, and trust it addresses any concerns Members have, and draws the issue of a potential conflict of interest to a conclusion. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Barnabas.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. BARNABAS:

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Ms. Pat Thomas, the president of the NWTTA. Thank you.

MR. SPEAKER:

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

ITEM 6: ORAL QUESTIONS

Question 137-13(5): Health Board Support Systems

MR. MILTENBERGER:

Thank you, Mr. Speaker. My question is addressed to the Minister of Health and Social Services. It is in regard to the relationship between the Department of Health and Social Services and health boards, in light of some of the current problems that have been experienced with some boards. Could the Minister indicate what type of monitoring and evaluation support systems are in place and are being added to make sure that we move from the crisis mode into a more calmer, more rational approach to planning and support of boards? Thank you.

MR. SPEAKER:

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

Return To Question 137-13(5): Health Board Support Systems

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, the department has always had a board development

section within the ministry. What we have done as I indicated last fall as the result of recognizing the need to be more in tune, I guess, with some of the activities that the boards are undertaking, we established a monitoring and evaluating unit that is now formed under program planning support and evaluation. This unit will work with boards in identifying what their needs are in respect to some of the training initiatives of some of their staff. It will provide some of the overall broader support to boards that might not be available or make sense on a board by board basis and provide those supports as needed to beef up their operations.

In respect to some of the monitoring issues, once we set outcomes and standards and reach those agreements with boards, again, our intent is to be actively involved in monitoring some of those outcomes and working with the boards on an ongoing basis as they deliver programs, as they attempt to implement changes in the way they deliver some of their programs and ensure they will meet some of the outcomes and some of the standards that we would expect, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 137-13(5): Health Board Support Systems

MR. MILTENBERGER:

Thank you, Mr. Speaker. Could the Minister indicate whether in fact there are specific staff on this new secretariat or group that was formed, the monitoring and evaluation group to work with specific boards? Is there an opportunity for, sort of a work relationship to be developed with individual boards and specific people at headquarters or is it just a broad departmental-wide kind of support? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 137-13(5): Health Board Support Systems

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, as I understand it now, it is more of a broader unit that is going to be providing services to all boards. As

required, again, there will be specific individuals, obviously with specific areas of specialization who will be expected to work with boards throughout the territories. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Miltenberger.

Supplementary To Question 137-13(5): Health Board Support Systems

MR. MILTENBERGER:

Thank you, Mr. Speaker. The issue of board training is also a critical one that has been referred to somewhat today. Could the Minister indicate what kind of board training is in place and is required? Is there a standard criteria and course that all new boards and board members are required to take? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 137-13(5): Health Board Support Systems

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, all boards are actively undergoing board trustee development workshops. I believe a former Stanton board chair, Mr. Tony Chang, undertakes a number of these training workshops with all boards. The feedback I have had in speaking with trustees and with board chairs is that it is a very effective forum for them and a very effective workshop that outlines their responsibilities and gives them the decision-making authority. It outlines the guidelines and the expectations that they are required to be knowledgeable of in carrying out their responsibilities, Mr. Speaker. Thank you.

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MR. SPEAKER:

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

Supplementary To Question 137-13(5): Health Board Support Systems

MR. MILTENBERGER:

Thank you, Mr. Speaker. Could the Minister indicate whether there is any requirement in terms of how often or how quickly this board training has to occur, once the board is in place? Is there a potential for or is it done in a timely fashion so there are no great periods of time where a new board may be floundering about because it is unsure and has not been trained? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 137-13(5): Health Board Support Systems

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, it would again depend, obviously, on the different circumstances of the board. If the board has undergone some radical turnover for whatever reason, there are a lot of new trustees, obviously, we would try to emphasize the need to have these types of workshops as soon as possible. In the case of other boards where there might be a slower turnover in respect to some of the trustees, they could plan some of these workshops where it would not, obviously, be of such an urgent nature and it could be of an ongoing nature in beefing up or re-establishing for the current board members and providing the new training for the newer board members, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Ningark.

Question 138-13(5): Rabies Outbreak in Gjoa Haven

MR. NINGARK:

Thank you, Mr. Speaker. Mr. Speaker, my question has health and environmental implications in it for the Premier. Mr. Speaker, over the Christmas holidays, according to my understanding there was an outbreak of rabies in Gjoa Haven, I believe, or perhaps throughout the region because the animals such as foxes and wolves have no boundary. My question to the Premier is what is the status of the concern? Thank you.

MR. SPEAKER:

Mr. Premier.

Return To Question 138-13(5): Rabies Outbreak in Gjoa Haven

HON. DON MORIN:

Thank you, Mr. Speaker. There is a shipment of vaccine being shipped to Gjoa Haven tomorrow. Thank you.

MR. SPEAKER:

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

Supplementary To Question 138-13(5): Rabies Outbreak in Gjoa Haven

MR. NINGARK:

Thank you. I was busy looking at my note, I did not get what the response was. I understand that people and dogs were vaccinated around Christmas time. It is also my understanding that there was an outbreak of rabies in Gjoa Haven. What is the status of that, is the problem still there? Thank you.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 138-13(5): Rabies Outbreak in Gjoa Haven

HON. DON MORIN:

Thank you, Mr. Speaker. I am not sure what started the outbreak and I would be pleased to check into it for the Member. I will check with the Department of RWED as well as the Department of Health. I would be pleased to give that information directly to the Member. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Henry.

Question 139-13(5): Additional Taxes on the Mining Industry

MR. HENRY:

Thank you, Mr. Speaker. My question is for Mr. Todd, the Minister of Finance. My question to the Minister is, I understand the mining companies do not like the idea of additional taxes. I would ask the Minister if he would make some comment on that from the perspective of what else would they be prepared to

work at or assist the people of the north if they do not like the taxes? Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister of Finance, Mr. Todd.

Return To Question 139-13(5): Additional Taxes on the Mining Industry

HON. JOHN TODD:

Thank you, Mr. Speaker. Of course, nobody likes taxes and that is all understandable. I do not like taxes, but the reality of life is that countries like Canada, democracies, run on taxes and we need to ensure in this country, the Northwest Territories gets its fair share of the coming developments that are taking place around us. Perhaps, in my earlier comments in my enthusiasm to demonstrate my determination of our taxation, I inadvertently used the term, to choke a mule. It certainly was not my intention at the time to frighten investors. It was merely to demonstrate the sincerity and seriousness that I saw and the need for northerners to access their appropriate share of developments. Taxes are one option and, of course, Mr. Kakfwi, our Minister of RWED, is the lead Minister in looking at all the other economic opportunities that should or will hopefully unfold with the diamond development. Some of the areas, as you know, that we are looking at, Mr. Kakfwi is discussing with the industry is the diamond valuation sorting facility. We are also looking at the possibility of accessing the rough, so northerners have the capability to access rough at a reasonable price so they can do the kind of value-added industry that we believe, does not require subsidization and can, in fact, be done.

In fact, Mr. Speaker, I am told that some of this value-added stuff is being done in New York. It is being done in Tel Aviv.

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It is being done in Antwerp, et cetera, so the argument I constantly hear by others, about the need for subsidization, I think really, it requires further examination before one makes those kinds of comments. This government's objective is to protect the interests of northerners. That is why they elected us. That is why they put us in the positions we have. I, for one, along with my colleague, Mr. Kakfwi, intend to do that.

MR. SPEAKER:

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

Supplementary To Question 139-13(5): Additional Taxes on the Mining Industry

MR. HENRY:

Thank you, Mr. Speaker. I thank the Minister for those comments. On the question of costs, I, along with some of my colleagues in this House, had the opportunity to see first hand some of the opportunities that would be available to the Northwest Territories from value-added industries that could go onto diamonds. I found Antwerp and London to be extremely expensive so I support the Minister when he says the north may not be that expensive to perform some of these added values. Could the Minister tell me if the idea of a Crown corporation or similar organization purchasing diamonds and selling them, themselves, has been floated with the mining companies and what their response is? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 139-13(5): Additional Taxes on the Mining Industry

HON. JOHN TODD:

It is currently being discussed amongst Cabinet and amongst the industry as one option we may wish to consider. Again, as I stress, Mr. Kakfwi is not here today. I am working with him in partnership to try to come to, if you want, a consensus as to what the bottom line should be for this government and for the people of the territories. I would suggest that some form of access to the rough diamonds should, in my opinion, as is done in every other jurisdiction in the world, be in the hands of northerners. Whether it is through a government agency or through the private sector, that is yet, I believe to be determined. Certainly the principles of accessing the rough or a percentage of the rough to northern peoples, surely is not only a right but it is good corporate business.

MR. SPEAKER:

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

Supplementary To Question 139-13(5): Additional Taxes on the Mining Industry

MR. HENRY:

Thank you, Mr. Speaker. I just cannot understand why, if a company has a product that it wishes to sell, it could not offer that for sale to any organization who wishes to buy? My question to the Minister is, will he continue with Mr. Kakfwi to pursue that with the company and his government to ensure that we can set up an organization to ensure that this happens and that we have some control over producing jobs in the secondary industries. Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 139-13(5): Additional Taxes on the Mining Industry

HON. JOHN TODD:

In fairness to the current company, the course of discussions underway, BHP, I believe, has said that they are prepared to provide access to the rough diamonds to northerners and to Canadians. I should qualify that. They are prepared to do that. We just have to work out, I think, a system as to how that is going to occur. Certainly, as I said, Mr. Kakfwi and myself are trying to prepare along with my colleague, Mr. Dent, a common position that this government can take, that we can pursue with the industry, at the same time balance that out with the need for the industry to remain competitive for it has a right to a return on investment as we have a right to expect that northerners get the maximum benefit from this industry, that after all the diamonds are northern diamonds. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 140-13(5): FAS/FAE Strategy

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, my question is in regard to my earlier Member's statement on FAS/FAE. My question to the Minister for Health is, does the Department of Health have a strategy to deal with FAS/FAE other than identifying the problem? For example, we do not have any specialists. Do they have a strategy in place? Thank you.

MR. SPEAKER:

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

Return To Question 140-13(5): FAS/FAE Strategy

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I understand right now, the department actively works with communities in identifying potential projects which are incorporated in FAS/FAE prevention component. As you know, not that long ago we also worked with the FAS/FAE working group in assisting them in developing a video that has been translated and sent to communities and schools across the Northwest Territories, which also outlines some of the prevention supports for caregivers and for parents of FAS/FAE individuals, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 140-13(5): FAS/FAE Strategy

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, in my earlier statement I did talk about prevention and the money that had been given to Pauktuutit. My question was on after we have identified the problem, what do we do for these people? I understand for example, in my region there is no specialist, no audiologist, no speech pathologists. If the nurse identifies them at the hospital or the nurse's station, there is

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MR. SPEAKER:

Mr. Ng.

Further Return To Question 140-13(5): FAS/FAE Strategy

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, those resources and supports would be at the regional level. It may not be specialists but, certainly the programs would be outlined and individuals would be provided some of the support through the regional health and social services boards or through the regional education boards, depending on the circumstances and the requirements of the individuals, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 140-13(5): FAS/FAE Strategy

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I am not going to argue the point. Mr. Speaker, I have been in contact, for example, this morning with the Baffin FAS/FAE group. As I just said, they are telling me that indeed, someone has been identified as a person who has FAS/FAE. There is nothing available. I am not going to keep going back and forth with the question so I would ask the Minister, would he commit at this time to look into what services are available for a person who has FAS/FAE because it is a serious matter and I do not want to debate it? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 140-13(5): FAS/FAE Strategy

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I do not intend to debate with the honourable Member, as well. I look forward that if he has specifics about individuals who are not receiving adequate support, I will be more than glad to look into the situation and report back to him on that. Thank you.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 140-13(5): FAS/FAE Strategy

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I am not a specialist in FAS/FAE. All I am doing is bringing forward a concern from my constituency from the Baffin region, the people who are working at ground level. I would ask the Minister to take it at face value. What I will do for the Minister, if he will commit to following up on the letters that I will provide, and I have one right here. I will table it in the House today, from the FAS/FAE people outlining their concerns. It is a concern. I am asking the Minister again, would

he commit to looking at some type of help to have specialists, to have dollars available for the region? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 140-13(5): FAS/FAE Strategy

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I will be glad to look into the issues that the honourable Member brings forward and find some suitable solutions to try and address those needs, Mr. Speaker. Thank you.

MR. SPEAKER:

Oral questions. Mr. Roland.

Question 141-13(5): Healthy Children Initiative

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my question will be directed to the Minister responsible for Education, Culture and Employment. As I raise the issue of childhood intervention in my Member's statement, I would like to know if the Minister has looked at the, I believe it is the healthy children initiative. There are policies on the way it would be set out, how groups can access the funding to try and improve conditions for the children. I would like to know if there are any changes in the program because right now it is very focused on just children's initiatives and not to do with the families. Are there any changes that the Minister is aware of that he can bring forward to us? Thank you.

MR. SPEAKER:

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

Return To Question 141-13(5): Healthy Children Initiative

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, when we introduced this program, which is a joint initiative of the Department of Health and Social Services and the Department of Education, Culture and Employment, we agreed that we would concentrate on initiatives for

children. It was intended as an Early Intervention Program. That is how we first phrased it, an Early Intervention Program. It is specifically targeted at children at risk to try to improve their chances of success in life. As far as I am aware, there has been no change in the focus in the program. The program is coming close to its first anniversary of operation. We have set up a mechanism under which we will assess how the program is working during the second year of operation. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Supplementary To Question 141-13(5): Healthy Children Initiative

MR. ROLAND:

Thank you, Mr. Speaker. Can the Minister inform us with this group that we look at the achievements on how the program is working? From those, will there be changes to the program after receiving input from this group? Thank you.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 141-13(5): Healthy Children Initiative

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, the entire purpose of doing an evaluation is to find out if the program is achieving its goals and if it can be

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improved. If the evaluation demonstrates that it can be improved, we will certainly look at changing how it is delivered. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Oral questions. Mr. Krutko.

Question 142-13(5): Health and Social Services Action Plan

MR. KRUTKO:

Thank you, Mr. Speaker. Mr. Speaker, my question today is to the Minister of Health and Social Services,

Mr. Ng, in regard to the announcement, the action plan for the Keewatin region. Mr. Speaker, regarding the concerns of health of the opening statement I made reference to, the health issue does not only affect any particular region, riding or community. Health affects everyone especially when it comes to the delivery of health and social services programs to the people we represent. With that, Mr. Speaker, I would like to ask the Minister, will the Minister in regard to implementing the action plan for the Keewatin region look at implementing a similar action plan for all regions in the Northwest Territories, especially in the Mackenzie Delta?

MR. SPEAKER:

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

Return To Question 142-13(5): Health and Social Services Action Plan

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I fully understand that health and social services is a territorial issue. The reason why the Keewatin action plan was spoken on, of course, is because there are some specific issues ongoing in the Keewatin right now that needed to be addressed to reassure the public and restore confidence and stability in the Keewatin health care system. That is the reason for the specific Keewatin statement. Also, part of that statement, Mr. Speaker, as you may recall is the mention of a physician, health care professional, nursing, social worker recruitment retention plan that I made a commitment to try to table into this House before the end of February, before we rise. That issue is a territorial issue, Mr. Speaker. With respect to that issue, it is not just specific to the Keewatin. It encompasses all boards throughout the Northwest Territories and the personnel that is required to deliver the health and social services for our residents, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 142-13(5): Health and Social Services Action Plan

MR. KRUTKO:

Thank you, Mr. Speaker. Regarding the whole idea of consulting with communities it is all great and good

but I think we have to take in line that something has to be done to look at the concerns of individuals who represent the communities and the whole question of delivery of service. One of the questions I would like to ask the Minister is, that is, one of the concerns that seems to be the highlight of a lot of concerns is in the area in regard to the high turnover of doctors and nurses in a lot of our communities, especially in a lot of the isolated regions of the north. What is being done to look at that specific problem? How are the communities going to be assured that will be dealt with? Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Mr. Ng.

Further Return To Question 142-13(5): Health and Social Services Action Plan

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I believe I have indicated, and I will say again recruitment or retention plan for health care professionals, including physicians, nurses, social workers is being developed and finalized as we speak. The plan is to table that in this House for Members to have an opportunity to debate it, to review it and to make comments and suggestions on whether it is appropriate or there are mechanisms that they would think might be more suitable, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 142-13(5): Health and Social Services Action Plan

MR. KRUTKO:

Thank you, Mr. Speaker. In regard to the whole area of reports, I mean, we can file all the reports we want, but at the end of the day, basically, it is what is being done to ensure we improve the service that matters to people in communities. I think the final question I have, Mr. Speaker, is in regard to the whole question of medical personnel visiting our communities in which you have to wait for a period of one to two months and where, in larger centres, you can walk into the hospital and see a doctor at any one time, but in most communities, you have to wait a matter of months to see these individuals. With the lack of doctors in our regional centres, it is having an effect

on the whole improvement of having medical personnel visiting our isolated communities. So, what is being done to improve the frequency of those visits, and what is this department doing to ensure that there will be improvement in that area?

MR. SPEAKER:

Mr. Ng.

Further Return To Question 142-13(5): Health and Social Services Action Plan

HON. KELVIN NG:

Thank you, Mr. Speaker. Well, Mr. Speaker, I guess provided the manpower recruitment and retention plan is accepted and there are adequate resources and support provided to health care professionals, I would think it would allow for less turnover. It would allow for more retention of those individuals who would be able to provide more services for the residents of the Northwest Territories. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Erasmus.

Question 143-13(5): University and College Entrance Program

Page

MR. ERASMUS:

Thank you. Mr. Speaker, my question is for the Minister of Education, Culture and Employment. It is in regard to the University and College Entrance Preparation Program which is nonexistent in Yellowknife at this time. I was wondering if the Minister could indicate why there is no University and College Entrance Preparation Program in Yellowknife this year?

MR. SPEAKER:

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

Return To Question 143-13(5): University and College Entrance Program

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, as I understand, this program is a federal program which the Government of the Northwest Territories through my department administers on behalf of the federal government. I believe the program funds that were allocated for the Northwest Territories were expended by last fall. The funds for this fiscal year have been used. Thank you, Mr. Speaker.

MR. SPEAKER:

Supplementary, Mr. Erasmus.

Supplementary To Question 143-13(5): University and College Entrance Program

MR. ERASMUS:

Mr. Speaker, the Minister indicated that all the funds were used up by last fall. Could the Minister indicate how this program works? For instance, do they have funds to actually put on a program including instructors and the whole works or do they just have funds for the students? How does this work?

MR. SPEAKER:

Mr. Dent.

Further Return To Question 143-13(5): University and College Entrance Program

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, I do not have the details of the program with me. I will undertake to provide those to the Member. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Supplementary To Question 143-13(5): University and College Entrance Program

MR. ERASMUS:

Yes, thank you, Mr. Speaker. Considering the low education rates of the aboriginal people in the Northwest Territories, particularly with the Yellowknives Dene First Nation which is in my constituency, I wonder if the Minister could undertake to try to ensure there is a UCEP Program in

Yellowknife this year, so that people can be assisted to get into university and college? Thank you.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 143-13(5): University and College Entrance Program

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, we have, on a number of occasions, encouraged the federal government to increase the amount of funding they provide for us to deliver the UCEP Program on their behalf, as well as broadening the program to include Metis people. We have thus far been unsuccessful. The Member can rest assured that we will continue to ask the federal government to improve not only the level of funding, but the access to the program. Thank you.

MR. SPEAKER:

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

Supplementary To Question 143-13(5): University and College Entrance Program

MR. ERASMUS:

Thank you, Mr. Speaker. I seem to recall asking this exact same question last year about this time and getting the same response. It does not seem as though too much has been done. I would ask the Minister if he could attempt to put some of the GNWT's resources into this as well? This is our problem. This is not the federal government's problem. It is our people out there who cannot get into university.

--Applause

MR. SPEAKER:

Mr. Dent.

Further Return To Question 143-13(5): University and College Entrance Program

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, this government puts a significant amount of funding into adult education and has for quite some time.

Upgrading courses are offered across the territories, and given the fiscal situation, I believe we have done our best to maintain delivery of those programs through various sources, whether they be through the colleges or other mechanisms. This government does the best it can right now, to provide assistance in this area. I would agree that it is an issue we cannot ignore. Thank you, Mr. Speaker.

MR. SPEAKER:

Oral questions. Mr. O'Brien.

Question 144-13(5): Report on Keewatin Dental Services

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister responsible for Health and Social Services. Mr. Speaker, I believe last year the Keewatin Dental Therapy Program was privatized. Is the Minister aware of any federal report that indicates this decision will result in higher costs to this government and lesser services for the people of the Keewatin?

MR. SPEAKER:

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

Return To Question 144-13(5): Report on Keewatin Dental Services

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HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I am not aware of any report on that matter. Thank you.

MR. SPEAKER:

Thank you. Mr. O'Brien, supplementary.

Supplementary To Question 144-13(5): Report on Keewatin Dental Services

MR. O'BRIEN:

Mr. Speaker, given the fact that the Minister's department has agreed to reconsider negotiations with the Northern Medical Unit to reinstate medical services to the Keewatin, would the Minister give consideration to also including a review of the privatization of the Dental Therapy Program in the

Keewatin to see if, in fact, it is cost effective, if it is working and in the best interest of the people of the Keewatin? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 144-13(5): Report on Keewatin Dental Services

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I believe parts of the program review of the operations of the Keewatin Health Board, that is one aspect of the review that is being undertaken right now. Thank you.

MR. SPEAKER:

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

Supplementary To Question 144-13(5): Report on Keewatin Dental Services

MR. O'BRIEN:

Mr. Speaker, on the same line of questioning, would the Minister agree to provide the House with at least a brief update as to how this initiative is working to date? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 144-13(5): Report on Keewatin Dental Services

HON. KELVIN NG:

Thank you, Mr. Speaker. I would be glad to do that once I get the information. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Miltenberger.

Question 145-13(5): Training Provided to Health Boards

MR. MILTENBERGER:

Thank you, Mr. Speaker, my questions are addressed to the Minister of Health and Social Services and are still in relation to the boards and systems of support

that are in place to work with them. Could the Minister indicate in regard to board training? Is there a standard criteria that facilitators and trainers have to use when they train boards to ensure there is a common baseline of information and knowledge imparted to board members, so that they have a common basis for doing their jobs? Thank you.

MR. SPEAKER:

Minister of Health and Social Services, Mr. Ng.

Return To Question 145-13(5): Training Provided to Health Boards

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I believe that there is right now, and certainly as I had indicated in answers to earlier questions, Mr. Tony Chang, who is undertaking a lot of this board development training, has been delivering, from my understanding, almost all, if not all, of the training and board development to trustees throughout the Northwest Territories. But I will check into that and ensure there is some consistency there and advise the Member. Thank you.

MR. SPEAKER:

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

Supplementary To Question 145-13(5): Training Provided to Health Boards

MR. MILTENBERGER:

Thank you, Mr. Speaker. In relation to some of the monitoring and evaluation, specifically on the financial side, could the Minister indicate what kind of financial supports and controls are in place to work with boards and ensure that the money is being spent wisely and that they are not running into financial problems? Specifically, I am thinking of things like variance reports and such that would give a signal. Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 145-13(5): Training Provided to Health Boards

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I believe right now we have received at least quarterly reports, if not, monthly. I am not exactly sure of the frequency on board financial dealings, and we are able to monitor their expenditures based on that. Thank you.

MR. SPEAKER:

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

Supplementary To Question 145-13(5): Training Provided to Health Boards

MR. MILTENBERGER:

Thank you, Mr. Speaker. Another issue of concern related to boards is the critical roles played by CEOs. Currently in Fort Smith, for instance, there is a vacancy, and I believe there is still one in the Keewatin as well. Could the Minister indicate, does the Department of Health and Social Services play a role on the hiring committee for CEOs, and who would fill that role? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 145-13(5): Training Provided to Health Boards

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, in the past, we have totally left it up to the board whether or not they have wanted assistance from the department on some of the recruitment of their CEOs. However, as a result of some

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of the circumstances that have happened over the past months, I guess, we are actively now intervening in the process and suggesting that we would want, at least, to be able to have some formal input into the selection of the CEO in order that we can be comfortable that the responsibilities are carried out as required, Mr. Speaker. Thank you.

MR. SPEAKER:

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

Supplementary To Question 145-13(5): Training Provided to Health Boards

MR. MILTENBERGER:

Thank you, Mr. Speaker. In regard to the role of the Department of Health and Social Services in this critical area, are they looking at making this a more formal arrangement considering that this is a type of partnership, so that, in fact, possibly the board and the health and social services representative would be involved in the actual hiring as opposed to having input or having to intervene? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 145-13(5): Training Provided to Health Boards

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, it is certainly something that I would support. As it stands right now though, I do not believe there is any formal arrangement. It is something we are going to have to work out. As well, it is a fine line that we have to walk when it comes to whether we are actually hiring somebody for our purposes or else hiring somebody for the board's purposes in acting in that strategic position. Yes, it is something that we are cognisant of and we plan on formalizing as soon as possible. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Henry.

Question 146-13(5): Health Boards Without CEOs

MR. HENRY:

Thank you, Mr. Speaker. My question is also to the Minister of Health, Mr. Ng. My understanding is, we have 11 health boards, a combined budget of approximately \$180 million. Following up on a question that was asked earlier about the recruitment process, the Minister stated that they leave the recruitment process as much as possible up to the particular boards. My question to the Minister is, how many boards presently do not have a CEO or a medical health officer?

MR. SPEAKER:

Thank you. The Minister of Health and Social Services, Mr. Ng. Two questions.

Return To Question 146-13(5): Health Boards Without CEOs

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, in respect to the CEOs, all boards have them. It is whether or not they are permanent CEOs. There are some right now with some interim CEOs on a short-term basis as they are going through a recruitment drive. In respect to the issue of chief medical officers, I do not have that information with me and I will have to report back on that. Thank you.

MR. SPEAKER:

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

Supplementary To Question 146-13(5): Health Boards Without CEOs

MR. HENRY:

Thank you, Mr. Speaker. The Minister also earlier stated that they do not get involved in the hiring. Could that be one of the remarks that the Minister made in the Nunatsiaq News where he said he had probably been giving too much autonomy to the boards. Is that one area where he would be possibly taking some of the autonomy back? Thank you.

MR. SPEAKER:

Can I ask the Member to rephrase his question as you cannot ask the Minister a question about something that is written in the newspapers, to confirm or deny it. Would you like to rephrase, Mr. Henry?

MR. HENRY:

Thank you, Mr. Speaker. I believe the Minister has made comments to suggest that potentially, boards have had too much autonomy. He has also stated that he leaves the hiring up to the particular boards to do their own hiring. Is this one area that the Minister would consider taking back some autonomy from the boards? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 146-13(5): Health Boards Without CEOs

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I would not phrase it as taking back autonomy from the board. What I would phrase it as, is making an arrangement with the board where we would have a partnership in the selection of a CEO that is going to carry out the responsibilities on behalf of the board and the Ministry of Health and Social Services. Thank you.

MR. SPEAKER:

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

Supplementary To Question 146-13(5): Health Boards Without CEOs

MR. HENRY:

Thank you, Mr. Speaker. As I mentioned earlier, the Minister has stated that he possibly has given too much autonomy to the boards. If this is one area where he specifically says he may not take that back, which area was he referring to when he suggested that he would be taking some of the autonomy back or may look at taking some of the autonomy back from the board? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 146-13(5): Health Boards Without CEOs

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HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I do not recall saying that I was going to take back some of the autonomy from the boards. I think, what I have been on the public record as saying is, we may have given them too much flexibility, possibly, in some of the decisions without intervening or questioning some of those decisions more pro-actively. My answer to the honourable Member would be, I think we have to develop a mechanism and a protocol and a memorandum of understanding between the Minister and the chair, between the boards and the ministry, what things can and cannot be done and what type of reporting relationships would take place before any

major decisions are made and prior to them being implemented. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 147-13(5): Cost of Baffin Health Services

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, there has been some controversy and consideration in the Baffin region with moving the health services from Montreal to Ottawa. I understand now, over the past week, the discussion has finalized and, in actuality, looking at doing a contract, but there are associated costs with moving from Montreal to Ottawa. I am wondering at this time if the Minister, after the costs are identified over the next weeks, would be willing to rebase the base funding for the Baffin Regional Health Board to help pay for these costs? Thank you, Mr. Speaker.

MR. SPEAKER:

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

Return To Question 147-13(5): Cost of Baffin Health Services

HON. KELVIN NG:

Mr. Speaker, no. I mean, quite frankly, the issue of the potential move in Baffin from services in Montreal to Ottawa was a result of a decision that the board had undertaken to look at the feasibility of that. We urged them, or directed them, quite frankly, to do a detailed cost benefit analysis to make sure that, if nothing else, it is a cost neutral move if they were to finalize this move. I was not prepared, and I am still not prepared to authorize that move unless it proves to be cost neutral. Thank you.

MR. SPEAKER:

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

Supplementary To Question 147-13(5): Cost of Baffin Health Services

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, is the Minister saying then, that if this move is not cost neutral, indeed, it would cost more to move the services from

Montreal to Ottawa, the Minister would not give ministerial approval to do that? Is that correct? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 147-13(5): Cost of Baffin Health Services

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, I believe that is exactly what I just said. Thank you.

MR. SPEAKER:

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

Supplementary To Question 147-13(5): Cost of Baffin Health Services

MR. PICCO:

Mr. Speaker, in Montreal, the Baffin Regional Health Board has a facility called Baffin House. The approximate value is over \$1 million. If the services are moved to Ottawa, then that house becomes redundant. It would go for sale on the open marketplace. Is it possible the sale of that building, that \$1 million or more, could go to the Baffin Regional Health Board to help facilitate the transfer from Montreal to Ottawa? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 147-13(5): Cost of Baffin Health Services

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, that would be, of course, part of the cost benefit analysis. As it stands now though, that facility has been paid for by this government. As a result of that, that would have to be taken into consideration in any decision before it is finalized. Thank you.

MR. SPEAKER:

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

Supplementary To Question 147-13(5): Cost of Baffin Health Services

MR. PICCO:

Sometimes, Mr. Speaker, it seems like we hear conflicting stories and statements made in this House. We believe in community empowerment. Every time a health board issue comes up, the board has to make a decision. In this case, the boards seems to have made a decision. There is a cost benefit analysis being done, yet the ministerial holds appropriate authority to say no, and they also have an asset there. Mr. Speaker, my final supplementary question to the Minister is, indeed, if the cost benefit analysis is done, and the sale of that house could be used to offset those costs, would the Minister approach the Minister of Finance or the Premier to see if that facility could be used, the sale of those revenues could be used to help facilitate the costs incurred? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 147-13(5): Cost of Baffin Health Services

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, once again I have been able to depend on the cost benefit analysis that is undertaken, presented and analyzed. A decision will be made after that time. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Roland.

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Question 148-13(5): Expanded Downpayment Assistance Program

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my question at this time will be directed to the Minister responsible for Housing. Mr. Speaker, some time ago I had asked the Minister about the new EDAP Program, and he responded by saying they were having some meetings to look at some possible changes to the program. I would like to know if the changes have been made and if the EDAP Program is on line in all communities? Thank you.

MR. SPEAKER:

The Minister responsible for the NWT Housing Corporation, Mr. Arlooktoo.

Return To Question 148-13(5): Expanded Downpayment Assistance Program

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. The issue of working on the details on how the Expanded Downpayment Assistance Program would work is one the Housing Corporation has been working on over the last several months. We have had consultations with senior management, and we have had feedback from the banking community and from clients. The program itself has been continually upgraded and improved as we move along. The short answer is, yes, the program is up and running in all regions of the NWT.

MR. SPEAKER:

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

Supplementary To Question 148-13(5): Expanded Downpayment Assistance Program

MR. ROLAND:

Thank you, Mr. Speaker. Judging from your answer, a person in any community in the NWT who applied for a program would be able to get assistance, if they qualified, under the new EDAP program?

MR. SPEAKER:

Mr. Arlooktoo.

Further Return To Question 148-13(5): Expanded Downpayment Assistance Program

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. All applications are reviewed to ensure that one, the client meets all the requirements and that they can afford not only to get a mortgage from the bank, but they are financially sound to operate the costs of the household from then on. The Housing Corporation does not have unlimited funds to approve all the applications that come across. In fact, in some areas of the north, in Iqaluit, for example, the Housing Corporation was able to only approve or finance half of the applications. This, to some degree, will be relieved by the announcement

made by the Finance Minister a few days ago. There are other issues that the Housing Corporation tries to deal with. The purchase of existing units is a part of the program. There are other issues that MLAs or the real estate community has raised which has to deal with market disruption in communities that have a real estate market. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mrs. Groenewegen.

Question 149-13(5): Lahm Ridge Tower Lease Agreement

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. My questions today I would like to direct to the Premier. I am not sure if it is appropriate because it has to do with the Lahm Ridge Tower leasing. I feel that Mr. Antoine, this was not his portfolio at the time these things occurred, but I will leave that up to the Premier. Mr. Speaker, in the document that was tabled in the House yesterday regarding the Lahm Ridge Tower, a portion of it states, and I quote "It was understood by Public Works and Services that the owner was attempting to negotiate the sale of the building to a northern company. It was understood that Public Works and Services would accept an assignment of the extended lease following the sale of the building if it were possible to negotiate agreeable extension terms". What I would like to know is, the senior people in the Department of Public Works and Services who agreed and negotiated this extension, were they aware of who the potential purchasers of the building were at the time of this negotiation? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Premier.

Return To Question 149-13(5): Lahm Ridge Tower Lease Agreement

HON. DON MORIN:

Thank you, Mr. Speaker. I do not know. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Supplementary, Mrs. Groenewegen.

Supplementary To Question 149-13(5): Lahm Ridge Tower Lease Agreement

MRS. GROENEWEGEN:

Thank you, Mr. Speaker. On the chronology of events that are listed here, it indicates that the assignment of the leases to the new owners actually took place prior to the sale of the building. The numbered company which the leases were assigned to appeared to have been transferred prior to the sale. Could the Premier please comment on that? Thank you.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 149-13(5): Lahm Ridge Tower Lease Agreement

HON. DON MORIN:

Thank you, Mr. Speaker. The chronological order of events is laid out in the document, and I do not see any reason why I should comment about that. It is all laid out there for the Member to read. Thank you.

MR. SPEAKER:

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

Supplementary To Question 149-13(5): Lahm Ridge Tower Lease Agreement

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MRS. GROENEWEGEN:

Thank you, Mr. Speaker. I refer to the item in the chronological order which says October 1, 1997, lease renewal documents, hand delivered by lawyer's office together with document assigning the lease to 974102 NWT Limited. Public Works and Services, deputy minister signed the document that same day. But then, that is October 1st. It shows that November 1st, is when the numbered company assumed ownership of the building. The Premier says it is clear, but I need an answer to that, and if he cannot lay that out for us today, perhaps he could endeavour to find out and get back to us. Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 149-13(5): Lahm Ridge Tower Lease Agreement

HON. DON MORIN:

Thank you, Mr. Speaker. I will do that. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Barnabas.

Question 150-13(5): Mine Trades Access Program Enrolment

MR. BARNABAS:

Thank you, Mr. Speaker. Mr. Speaker, this afternoon, my question will be directed to my colleague, Mr. Charles Dent. Minister Dent made a statement that there are 40 northerners who are currently enrolled in Mine Trade Access Program. I would like to know, out of 40 northerners, how many are aboriginal. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Return To Question 150-13(5): Mine Trades Access Program Enrolment

HON. CHARLES DENT:

Thank you, Mr. Speaker. I do not have the breakdown of the status of the 40 members with me, Mr. Speaker. I will provide that to the Member. I can assure him that it is representative of the population of the Northwest Territories in that the majority of the members are aboriginal.

MR. SPEAKER:

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

Supplementary To Question 150-13(5): Mine Trades Access Program Enrolment

MR. BARNABAS:

Thank you, Mr. Speaker. Mr. Speaker, there are only a few mines in the Northwest Territories. I would like to know in what areas and mines are these people training in? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 150-13(5): Mine Trades Access Program Enrolment

HON. CHARLES DENT:

Thank you, Mr. Speaker. Mr. Speaker, the program is aimed at bringing people up to a level where they can enter an apprenticeship program. An apprenticeship program for a trade that would commonly be found working at a mine site. The students are not studying at mine sites. They are, in fact, being trained at the campuses of Aurora College using three campuses, Inuvik, Yellowknife and Thebacha. Thank you, Mr. Speaker.

MR. SPEAKER:

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

Supplementary To Question 150-13(5): Mine Trades Access Program Enrolment

MR. BARNABAS:

Thank you, Mr. Speaker. Are there similar training programs for Nunavut? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Dent.

Further Return To Question 150-13(5): Mine Trades Access Program Enrolment

HON. CHARLES DENT:

Thank you, Mr. Speaker. The mine training committee has worked with the Nunavut College as well. Although the Mine TAP has not been set up to operate at the campuses in Nunavut at present, the setting up of a similar program is portable, and as the college becomes more interested, they certainly can be set up at the campuses in Nunavut. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 151-13(5): Employment Generated through Aurora Fund

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, my questions are on the Aurora Fund, so I will be directing them to Mr. Todd. Mr. Speaker, on January 27th, in this House, Mr. Todd gave an update on the Aurora Fund. He told us that there were seven loans done to date. I wonder how many jobs have been created by those seven loans.

MR. SPEAKER:

Minister of Finance, Mr. Todd.

Return To Question 151-13(5): Employment Generated through Aurora Fund

HON. JOHN TODD:

Mr. Speaker, I do not know. I would have to look into it. Of course the Aurora Fund is set up to provide venture capital if you want or capital equity for northern businesses. I will ask my department to ask those who have got the loans how many jobs they created. Thank you.

MR. SPEAKER:

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

Supplementary To Question 151-13(5): Employment Generated through Aurora Fund

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I will continue on the Aurora Fund. Mr. Speaker, of the seven loans done, they are approximately \$7.8 million, approximately \$1 million per loan. Mr. Speaker, three months ago in this House

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in October, Mr. Todd listed how many companies had received loans from the Aurora Fund and he also named them at that time. At that time, Mr. Speaker, there were five loans done. There have been two loans in that three to four month period. I am wondering if Mr. Todd could tell us what type of demand is out there in the market place for those loans. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Mr. Todd.

Further Return To Question 151-13(5): Employment Generated through Aurora Fund

HON. JOHN TODD:

Part of the reason of the why it may appear that we are doing as many loans as my honourable colleague would like, is two reasons. One, is remember the Aurora Fund has a specific limit of three quarter of a million dollars and up. Two, it has a conservative approach to loans. Three it needs 30 percent of its equity in liquid assets, that is the condition set. Four, we lend out the money as the money comes in. As I tried to explain the other day to my colleague Mr. Ootes, as it comes in we put in escrow and lend it out.

My understanding is there is a significant amount of interest in it. Particularly now, we have been able to get the message out a lot more clearly. I am not anticipating any problems down the road in finding good northern places for the money as it flows through escrow and back out to the northern businesses that require it. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 151-13(5): Employment Generated through Aurora Fund

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, it seems like the Aurora Fund is a great vehicle for buying airplanes. I wonder if the Minister could inform this House why there seems to be so many airplanes being purchased through the Aurora Fund. Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 151-13(5): Employment Generated through Aurora Fund

HON. JOHN TODD:

It must be a pretty safe investment. I do not know why. People buy hotels sometimes. People buy airplanes. The reality is, it appears this fund has attracted a certain group, industry group. The investment committee recommends it along with Mr. Bailey. I do not think there is any particular...

MR. SPEAKER:

Thank you. Oral questions. Question period is over. I would like to recognize in the gallery the Conflict of Interest Commissioner from Iqaluit Ms. Anne Crawford. Item 7, written questions. Mr. Ootes.

MR. OOTES:

Mr. Speaker, I seek consent to return to item 5, recognition of visitors in the gallery.

MR. SPEAKER:

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

REVERT TO ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. OOTES:

Thank you, Mr. Speaker. It is with a great deal of pleasure that I introduce a constituent of mine, Mr. Wayne Gzowski who is with Arctic Divers. He has been in the north here for many, many years. He has done a lot of projects around the north. He is joined by Valerie Chudinov who is also with Arctic Divers. He worked on the PEI bridge. He is originally from Arctic Russia where he was born and he came to Canada in 1991. Please help me welcome him.

--Applause

MR. SPEAKER:

Welcome to the Assembly. We will take a 15-minute break.

--Break

MR. SPEAKER:

The House will come back to order. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, replies to budget address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Mr. Todd.

ITEM 14: TABLING OF DOCUMENTS

Tabled Document 24-13(5): Government of the Northwest Territories Public Accounts, 1996-97

HON. JOHN TODD:

Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled Government of the Northwest Territories Public Accounts, 1996-97. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Todd. Tabling of documents. Mr. Antoine.

Tabled Document 25-13(5): Standard GNWT Lease Form

HON. JIM ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, I wish to table a document requested by my honourable colleague from Nunakput. This document is a standard form of lease extracted from a standard GNWT request for proposal for the acquisition of office space. Mr. Speaker, I would like to draw the House's attention to page five of the standard form of lease, section C, point two, extension of terms whereby the GNWT, as leaser, reserves the right to solicit proposals from property owners which includes extension provisions which may be exercised upon exploration of the terms of agreement. Mahsi, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Antoine. 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,

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consideration in committee of the whole of bills and other matters. Bill 8, Appropriation Act, 1998-99, Committee Report 2-13(5), Committee Report 03-13(5), Committee Report 4-13(5), Committee Report 5-13(5), Tabled Document 15-13(5), Tabled Document 19-13(5). With Mr. Ningark in the Chair.

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

CHAIRMAN (Mr. Ningark):

I call the committee to order. Under item 20, we have a number of items. What is the wish of the committee? Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman, that we proceed with Bill 8, Appropriation Act, 1998-99, in conjunction with Committee Report 02-13(5), Committee Report 03-13(5) and continue with the Financial Management Board followed by Aboriginal Affairs. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Ootes, is suggesting we do the Appropriation Act, 1998-99, Committee Report 02-13(5) and Committee Report 03-13(5), FMB, and proceed to Aboriginal Affairs. Do we agree? Thank you. Does Minister odd wish to bring in the witnesses? He is signalling, yes. Do we agree? Thank you. For the record, would you please introduce the witness to the committee?

HON. JOHN TODD:

Thank you, Mr. Chairman. On my immediate right, Mr. Lew Voytilla, outstanding deputy minister of the FMBS.

CHAIRMAN (Mr. Ningark):

Thank you. Agreed. We are reviewing the 1998-99 Main Estimates, activity summary directorate, Financial Management Board Secretariat. We are on page 2-26 of the 1998-99 Main Estimates. We have general comments from the floor? Can we go into detail? Agreed? Mr. Krutko.

MR. KRUTKO:

In regard to page 2-24, power subsidies, I would like to ask the Minister exactly how much money is being spent in regard to the power subsidy of expenditures to this government, which works out to 17.50 percent of the budget. What is the actual cost to this government for that subsidy?

CHAIRMAN (Mr. Ningark):

Thank you. You are referring to page 2-30. I am informed that you can ask general questions. You are asking about a specific item that we have not yet reviewed at this time. Could you hold off on the detailed question for the time being, Mr. Krutko?

MR. KRUTKO:

Thank you. In regard to general comments, my question was in regard to the expenditure of this government. I think we have to know the actual amounts of what is being spent, especially in the area

of subsidies or expenditures of this government. Regarding my comments, I had referenced the particular item I asked a question in regard to the cost to this government for such a subsidy, which both expenditures consist of 17 percent of the budget. I would like to ask, if the Minister can answer the question, how much is that subsidy costing this government?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Krutko. If the Finance Minister wishes to answer or respond in general terms, it is your prerogative, Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Mr. Chairman. It is, as you say, in the details as we move forward. But there is approximately seven million dollars plus that we provide both in the domestic and commercial subsidy under the power subsidy category. Thank you.

CHAIRMAN (Mr. Ningark):

Okay, directorate. Do you want to go into detail now? Thank you. Directorate, page 2-26, operations and maintenance. Total operations and maintenance, \$20,651,000. Agreed? Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, my first question is, if I could get some clarification of exactly what is the make up of the membership on the Financial Management Board Secretariat. Who sits on the board?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

All Members of the Cabinet, Mr. Chairman. All Members of the Cabinet.

CHAIRMAN (Mr. Ningark):

Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Does that include deputy ministers?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Negative, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Mr. Steen.

MR. STEEN:

I understand, Mr. Chairman, just Ministers. Is that correct?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Mr. Voytilla and his able staff provide an administrative support to the FMB, but the FMB is made up of Cabinet only. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Operations and maintenance, total operations and maintenance, \$20,651,000. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. My second question is in regard to the Financial Management Board Secretariat being responsible for monitoring of all of the departments as far as fraud or embezzlement is concerned. I wonder if the Minister could indicate how many cases of fraud or embezzlement we have had in the past two years?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Mr. Voytilla, nor myself have an accurate, detailed answer to that. But our best guesstimate, and we will give my honourable colleague

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an accurate one, but our best guesstimate is somewhere between 15 and 20 cases over the last two years. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, would the Minister be prepared to indicate which departments those involve?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Mr. Voytilla advised me that it is not a problem and in fact we do report that out on an annual basis through the Auditor General's report, through the Comptroller General's report but that is not a problem. We will provide my honourable colleague with the detail of how many over the last two years and the departments that were involved. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I understand that Members would want a copy of that. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, have we been successful in recouping these losses or being reimbursed through the courts for these losses?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

Of course, any time you have a fraud, et cetera, it is a serious offence and this government takes a very aggressive position on it. We have sought in a number of cases, reimbursement. I do not actually have the details of how much reimbursement we have been able to successfully acquire. I will provide my honourable colleague with that same information. My guess would be, and it is just a guesstimate, it is probably minimal, but to avoid any confusion and to give full clarity to the question, I will provide my honourable colleague and this House with those answers. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Financial Management Board Secretariat directorate, total operations and maintenance. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, if we do not manage to collect through the courts or by reimbursement, how do we write off these losses? Are they written off as bad debts? How does this happen?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

As Mr. Voytilla advised me, we do, of course, have to proceed. Let us say we are proceeding with all of the criminal investigations that are required of charges that must be laid. We go through that whole process, once the results of that occur. If we have not been successful in, if you want, reimbursement, then we would at some point write it off as a bad debt in the balance sheet. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, do all these cases involve the RCMP?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I am advised that we advise the RCMP on all fraud cases and the decision as to whether to pursue the charges or not is the jurisdiction of the RCMP.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, would the Minister then agree that it would be safe to say that the RCMP, if they require documents, either through requisition or seizure that this could not take place

without the knowledge of the Financial Management Board?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

I will ask Mr. Voytilla to answer that. He is far more versed in this, than I am. I want to make sure that we give you an accurate process that we undergo in these fraudulent cases. Mr. Voytilla.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. What we do is provide the RCMP with the Auditor's report and all of the associated background information that we have compiled, so that they have full access to the documents we have put together. In addition through their own investigation, they might ask for additional information and that would be provided to them.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Presuming an individual had a concern or complaint that involved contractual procedures, would this individual take the concern or complaint to the Financial Management Board or would they approach the appropriate department first?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

I wonder, before I answer that question if I could get a little more clarity. Are you talking about an individual who may have had a concern or the government who may feel there has been a fraudulent act occurred? I am a little unclear. Maybe you could just spell out the question, if I may, Mr. Chairman?

CHAIRMAN (Mr. Ningark):

Thank you. The government or the public, Mr. Steen?

MR. STEEN:

Thank you, Mr. Chairman. Obviously, regardless, whether it was the government that was concerned or whether it was an individual who was concerned, would the Financial Management Board be made aware of the concern and would they be asked to pursue the concern?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. If it was the RCMP who were conducting their investigation, it would be

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fully up to them which organization in the government they went to for information. They would probably seek information from multiple sources. They would be under no obligation because it is their investigation they are conducting to necessarily keep the Financial Management Board Secretariat apprised of all of the inquiries they were making of various departments. That is their investigation. They would manage and handle it.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Mr. Chairman, would it be possible for an investigation to take place in a department, whereby papers are seized or requested by the RCMP? Would it be possible that the Financial Management Board would not be aware of this or is it a policy of the Financial Management Board that they have the departments or the employees make them aware of anything of that nature?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Mr. Chairman, if the investigation was something that came to the notice of a department or any public official, they are obligated by our own internal rules to advise the Comptroller General, myself of their concerns. Then I am obligated to initiate a review or

an investigation as the case may be. However, if the RCMP are conducting their own review, and it is an issue that has not come to the attention of a public official or the Comptroller General, then the RCMP could very well go to a department, through their court issued authorities, seize documents, obtain information that the government itself or the FMBS or the Comptroller General or FMB would not have any knowledge of.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen, you have one minute.

MR. STEEN:

Thank you, Mr. Chairman. Let us be clear here. The RCMP could not conduct an investigation whereby they acquire documents or seize documents without that particular department having a responsibility to inform the Financial Management Board, is that correct?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. Just to make that clear, if the RCMP was conducting an investigation and the public officer had no knowledge as to the nature of the investigation and it was simply as seizure or request for information from the RCMP, then no, he would not be under any obligation to report that because he is not aware of any activity or any suspicion of activity that he would be able to report on. Just the fact that the RCMP asked for some information or seized some documents, would not require that officer to report that to the Comptroller General or the Financial Management Board.

CHAIRMAN (Mr. Ningark):

Thank you. Your allotted time period for questioning is up. I will see if there are any other Members who wish to ask questions. Total operations and maintenance. Mr. Ootes.

MR. OOTES:

Thank you. To follow up on that line of questioning. I believe the Minister said that they were investigating 15 or so fraud cases in the past two years. Could he tell us how many have been resolved?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

As I said to my honourable colleague, Mr. Steen, I will provide him with the full detailed briefing on how many cases we have dealt with in the last two years. I will include at that time, the request that Mr. Ootes asked. I do not have that information available. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ootes.

MR. OOTES:

Could we be informed in the event of a suspicion of fraud, what is the process that the individuals or the department uses to follow?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

The process we follow is in the financial administration manual, Mr. Chairman, and we will provide you with a copy of that.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Ootes.

MR. OOTES:

Does the government have any individuals that do investigative work for the government?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Yes, Mr. Chairman, that is what our audit bureau does. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. I have Mr. Steen.

MR. STEEN:

Mr. Chairman. We have been informed here if a government official was in question or was presented with a court order to seize all the documents in his office, he is not required to report this to the Financial Management Board? I would wonder how he could still operate. In other words what would be his response to his superior when he had to account for all those missing papers? What would he tell his superior? I would think that there must be some requirement that an employee report to the Financial Management Board when the RCMP seizes all of the documents pertaining to certain cases.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I will ask Mr. Voytilla to provide clarity to that because perhaps his response was not fully understood. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. I can understand the question that has arisen in Mr. Steen's mind. Obviously, if there were some significant inquiry or significant seizure of records that would give rise to some concerns on the part of

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the government certainly, if such an event occurred, the individual who was most directly involved with the request from the RCMP or with the appropriation of documents would be obligated to inform his management and brief management on what occurred. We would hope that it would not engage in a lot of speculation about what might underlie it because that speculation is something that we would not want people to do. Usually the RCMP, if they are investigating and they are acquiring documents of that nature, they would be limited in the information that they share with the government. However, we would fully expect management to be apprised, and if the event was significant, then management would normally seek advice and counsel, probably both, from the Department of Justice, as well as from the office of the Comptroller General.

CHAIRMAN (Mr. Ningark):

Mr. Steen. Thank you.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, I come to the conclusion then, no documents could be seized by the RCMP pertaining to any department, whereby the Financial Management Board would not be aware of it. I would like to know what level of government employees, if this is not confidential information or interferes with any investigations, how far up the corporate ladder are we experiencing frauds and embezzlements?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. Anything of that nature would be significant enough to be called to the deputy minister's attention. In our organization and under our Financial Administration Act, the Comptroller General is given the responsibility and authority to deal with those situations. If there was a fraud investigation or whether there was some seizure that was of particular concern or signified that there might be a reason for concern, that would come to myself, as Comptroller General, and I am obligated under the Financial Administration Act to deal with it and act within certain parameters. That is the level in the organization at which these things are generally dealt with. At the deputy minister level, at the Comptroller General level, we would pursue the investigation to resolution. These things are not, in the normal course of events, brought to the political level, which is the Financial Management Board. They are dealt with under the authority in the act at the Comptroller General's level. However, once a year, I do provide a report called the Comptroller General's Report to the Financial Management Board which details all events that gave rise to fraud or embezzlement or any misappropriation funds.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Since the Financial Management Board is almost compelled to be made aware of any investigation being done by the RCMP of this government, would it then be fair to say that if

documents were seized in the past year or so, this could not have happened without the knowledge of the Financial Management Board?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. I think what I have tried to convey is there could be a situation where documents were seized, or obtained where that would not have been brought to the Comptroller General's attention. I would expect that in those circumstances, it would have made its way to the deputy minister of that department, but depending on the circumstances, may not have been reported in accordance to the financial administration manual to the Comptroller General because there was no suspicion of fraud or irregularity. In that way, there could be documents obtained that did not come to my attention.

I just reiterate, Mr. Chairman, when those events do come to my attention, I am obligated to deal with them in accordance with the Financial Administration Act, and that is not, in the normal course of events, taken to the Financial Management Board. So, I think Mr. Steen has made several references to the Financial Management Board being aware of that. It would be the staff officials who serve under the board, but the board itself would not be directly involved.

CHAIRMAN (Mr. Ningark):

Mr. Steen.

MR. STEEN:

Mr. Chairman, I would like to ask Mr. Voytilla directly then, was this government being investigated by the RCMP, whereby documents were being seized, and just specifically, which department did they apply to?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. I am aware of several instances where the RCMP have made inquiries and investigations. Several of those may have involved the acquisition of files, but as far as specifics, that would be something I would not be able to give in detail at this point in time off the top of my head. That

is something we could look at compiling information on, and as long as it was something that would not comprise an investigation that was currently underway, we may be able to share that.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Mr. Chairman, I do not wish to compromise anybody's investigation. I will ask it in a more general nature. Is Mr. Voytilla aware that, in fact, this government was being investigated for wrongdoing and, in fact, documents were seized, and this government was aware of this fact? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Mr. Chairman, wanting to be careful in the response to the Member to make sure that I answer his question, it was broadly stated that the government was being investigated. I am afraid that is a broad definition, and to my knowledge, I would not say the government was being investigated. There may have been various inquiries made by the RCMP, but they would not necessarily have made me, or anybody else aware of the nature of their investigation or what gave rise to it. They would simply be seeking information pursuant to their investigation. Often that could be of a party the government had some association with or government

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activity itself. The RCMP would not necessarily have shared that with us. Frankly, I am not aware of any situation where the RCMP have advised us this government is under investigation at all.

CHAIRMAN (Mr. Ningark):

Thank you. Time is up. Total operations and maintenance. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Just a couple of quick points. Mr. Voytilla had mentioned that presently there were 15 cases under investigation. My question is, if he could clarify and also confirm whether we

have an internal audit bureau and if they are doing any of the investigating?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Well, for the third time, I have already said both to my response to Mr. Steen and response to Mr. Ootes, I will provide the Members with a full detail of how many cases of fraud we have had over the last two years, details of it, et cetera. It is all done, at least initially, by internal audit. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Can the Minister tell us if the numbers of staff in the internal audit bureau has gone up, stayed the same, or went down in the last two years?

CHAIRMAN (Mr. Ningark):

Thank you. Do you have that information, Mr. Todd?

HON. JOHN TODD:

There has been no increase in staff in the last two years, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Final question then. Has the number of internal audits performed by the audit bureau gone up, down or stayed the same in the last two years?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Mr. Voytilla advised me it has been fairly constant or consistent with previous years, but we could probably find the detail of that as we provide the rest of the

detail that is being requested by Mr. Steen and Mr. Ootes.

CHAIRMAN (Mr. Ningark):

Thank you. Operations and maintenance, total operations and maintenance, \$20 million. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, I come to the conclusion that the Financial Management Board is quite comfortable to say they have never been approached, whereby this government per se, was being investigated. But they are not prepared to say the same thing about departments. So, therefore, my follow up question is one I had asked earlier which was how far up the corporate ladder were the investigations that he is aware of? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister, do you want to designate the response to Mr. Voytilla? Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. As I mentioned earlier, I have not been advised by the RCMP that they are conducting investigations on the government as a whole or any particular department. If they were conducting such investigations, they have kept their counsel. With respect to our internal investigations where we might be investigating a fraud or embezzlement situation or misappropriation of funds, those investigations are at various levels in the organizations, and when we provide the information within the constraints of personal confidentiality, we will attempt to indicate the nature of the fraud or misappropriation that has occurred and the level at which it has occurred.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, no documents could be seized then by the RCMP or obtained by the RCMP without this government being aware of it through the Financial Management Board staff or themselves? That is the conclusion I have reached here. If that is the case, would the RCMP, as a formality, would they not inform this government that, in fact, they did seize certain documents?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. As I mentioned before, not all situations where documents are seized would necessarily come to the attention of the Comptroller General and the Financial Management Board Secretariat. With respect to what courtesy or notice the RCMP would choose to give to the government when they are obtaining documents, I would have to leave that for the RCMP to speak to. They have not chosen, if they have obtained documents, to explain their reasons to us.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. On another subject. Is the Financial Management Board responsible for policies that apply to grants of this government?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

Thank you, Mr. Chairman. We set the broad framework for the grants that this government gives, the actual detail how the grants are given out and who they are given out to, et cetera, I

s determined by the department to the Ministers and their deputies. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Can I assume then that ultimately if a subsidy is approved by this government, the Financial Management Board will be involved in approving the subsidy?

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CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Not necessarily, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Mr. Chairman, is the Financial Management Board involved in this subsidy called a BIP?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Mr. Chairman. That is a Cabinet approved policy and not the FMB.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Steen.

MR. STEEN:

Mr. Chairman, are we splitting hairs here? I have been told the Financial Management Board is made up of Cabinet. Are we splitting hairs here?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

The Cabinet approves the policy with respect to the businesses and the policy. The Cabinet. It is not splitting hairs. Cabinet and the FMB have two separate, to some extent, mandates.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance, \$20 million. Mr. Steen.

MR. STEEN:

Is the Financial Management Board, Mr. Chairman involved in who would be responsible for implementing a subsidy?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd.

HON. JOHN TODD:

My understanding is what my honourable colleague is talking is about the BIP and that is administered by the Minister of RWED, the Honourable Stephen Kakfwi.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Steen.

MR. STEEN:

Mr. Chairman, I have been informed more than once that the Financial Management Board is the watchdog of this government, over all policies, departments, human resources, the total operations of this government in other words, in particular, in financial situations. Surely, the Minister must have some responsibilities in approving subsidies. Could I get some indication from the Minister whether this is a fair conclusion to draw?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

HON. JOHN TODD:

Yes, my honourable colleague has a way of getting to a point. Sometimes I am never quite sure where he is going. Let me try to put it into a way that is explainable. I have the responsibility, as Chairman of the Financial Management Board, to monitor, if you want, the overall budgetary and fiscal requirements of this government. Each individual Minister is given a budget in accordance with the way in which it is shared. They have the responsibility for monitoring their individual budgets and the policies from within. So yes, I have an overall responsibility. Let us say for example, if there is a cost attached to debt, it would be in the RWED budget, which is the responsibility of Mr. Kakfwi. But the overall responsibility for coordinating the government's fiscal resources and ensuring eliminating the debts and elimination strategy and meeting the targets that we have set, et cetera, lies with the FMB and the chairman of the FMB. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Steen.

MR. STEEN:

Mr. Chairman, could the Minister confirm then that although he might be involved in the establishment and the monitoring of the policies, such as the business incentive policy, he is not responsible for administering the policy?

CHAIRMAN (Mr. Ningark):

Mr. Todd.

HON. JOHN TODD:

The Minister of RWED has the authority to administer the policy. That is correct.

CHAIRMAN (Mr. Ningark):

Thank you, your time is up Mr. Steen. Since we have not made any progress in the last hour, I will be handing the chair over to you shortly, Mr. Steen. Thank you. Total operations and maintenance, \$20,651,000. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I am not sure if this is the proper area but is the FMBS in charge of looking after appeals of people who do not feel that they have been treated fairly in the hiring process?

CHAIRMAN (Mr. Ningark):

Thank you. I am advised Mr. Erasmus, that the item you are dealing with is on page 2-27, we have not concluded page 2-26. We are dealing with 2-26 Financial Management Board Secretariat directorate. Total operations and maintenance is \$20,651,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures \$20,651,000. Agreed? Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, I wish to follow up a little more on the policies governing subsidies. I understand from the Minister that administration of the policies is the responsibility of the departments. I would like to ask the Minister if his

department has any input as to the amount of funds that would be available for these particular departments to administer these budgets or these subsidies.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I wonder if my colleague would repeat the question. My apologies, I did not quite fully understand the question. Would he repeat the question again please?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen would you mind repeating the question please. Thank you.

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MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, if the Minister of the Financial Management Board is responsible to ensure that everybody abides by the rules or spends their department's funds appropriately, is the Minister also involved then in how much we have allocated to a certain subsidy?

CHAIRMAN (Mr. Ningark):

Thank you, your discretion, Mr. Minister if you want to disagree to the answer.

HON. JOHN TODD:

I think Mr. Steen if he is still on BIP, he sees it as a subsidy. I see it as an equalization and an incentive for northern business. If that is what he is eluding to, the other subsidies are water and sewer subsidies, power subsidies, et cetera. These are all built into the overall fiscal framework of the government and they are included in the departmental budgets that individual Ministers monitor and authorize and report on. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures, \$20,651,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Do we have an overall figure of how much the BIP costs this government on a yearly basis, this past year then?

CHAIRMAN (Mr. Ningark):

Thank you. I am informed or advised that a central policy is with the Minister of RWED. We should try and stick to what is under the Financial Management Board Directorate but I will allow Minister Todd to respond if he wishes to. Mr. Todd.

HON. JOHN TODD:

Well again, Mr. Chairman you are correct that detailed question should be asked to the Minister of RWED. I think it is important to point out that this government does not see the business incentive policy as a subsidy. We see it as an equalization policy that ensures the northern businesses have a level playing field and a fair and accurate ability to generate the kinds of project that they have done over the last two or three years. I believe the Minister said some time ago that we think it is a highly successful one as we now have got close to 94 percent of all of our government contracts in the hands of northerners. In conclusion, Mr. Chairman, I would suggest that my honourable colleague ask that question of Mr. Kakfwi and he will be able to give him the full details I am sure. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures, \$20,651,000. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. It seems to me that the BIP is a program that the area it is used in is more than just the RWED so I do not know if the RWED Minister would have the proper information to indicate how much it costs because every different department is affected by the BIP, and it seems that only FMB is the area that would have this type of information. This is why I am asking the Minister if he has those numbers.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

The short answer is that I do not have the numbers. The second answer is that Mr. Kakfwi has the overall responsibility for the coordinating of the BIP for the GNWT, which crosses inter-departmental responsibilities. I am confident he will be able to answer my colleagues important question when he comes before the House with his budget. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. If the Minister of RWED is not able to determine that because the BIP crosses so many different jurisdictions, then would the Minister commit to attempting to provide that information through his office?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister.

HON. JOHN TODD:

Yes, Mr. Chairman, I do not want to add to the debate, but I know we have looked at it before and it is hard to quantify because of the nature of this policy, et cetera. I will undertake to see if we can bring some clarity to what we think the equalization cost is as it relates to this important policy. Thank you.

CHAIRMAN (Mr. Ningark):

Total operations, total expenditures. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman to follow up on Mr. Erasmus' questions, it is obvious that right through this government, right down to hamlets, boards and probably committees, everybody is subject according to the policies of this government to the BIP. They are required to abide by the BIP policy. That is my understanding of it. Who would be responsible other than the Financial Management Board to assure that we are not spending \$1 million, \$2 million, \$10 million that people are, in fact, abiding by the policy within financial restraints? Surely, Mr. Kakfwi is not responsible for that in his Department of RWED. He is just responsible to track it. Somebody

must be responsible as to how much we are spending on this. Somebody must know and I have no choice but to assume that it is the Financial Management Board. Mr. Chairman, I would like to point one thing out. The Minister indicated that any questions in regard to the establishment of the policy should be directed toward Cabinet. However, Cabinet is not in this budget. Yesterday we dealt with the Executive. There is nowhere under the Executive that we have the opportunity to question the Premier on subsidies so I assume, under the Executive, the Financial Management Board answers those questions. Am I correct, Mr. Chairman? Could the Minister indicate?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

I certainly did not mean to get my honourable colleague excited about the issue. I am trying to answer the question. If he feels I am evading it, then I apologize. What I am saying to you is, as the Finance Minister and chairman of the FMB, I have an overall responsibility to ensure that the government and the

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departments meet the fiscal targets that we set for this government's balance sheet. That is my job to say that we are going to spend, \$1,183 billion. It is distributed amongst the programs, et cetera. It is all laid out within that. There may be subsidies like water, sewer, power, equalization payments, like BIP, et cetera, and the responsibility for government is to ensure that we meet the targets that are set. These targets are equally set with committees. If he is asking me to pull all the subsidies out of government, that is a different story. That would take a great deal of more time. The overall coordination and responsibility for myself, and the FBM in this House, is to ensure that we meet the targets that are set within the overall spending that is authorized by the government. I do not know how else to answer it. If my honourable colleague would like to give me a little more clarity, I will do the best I can. I do not quite fully understand the question and again, I am not trying to be silly. The Department of Health gets x number of dollars, with x number of dollars it does x amount of programs. RWED gets x amount of dollars, it does x amount of programs. It spends money. It hires staff. It delivers services. It gives grants. It gives subsidies, et cetera. That is what it does.

My job and the FMB's job is to make sure that we meet the overall fiscal targets of the government and stay within the Financial Administration Act, et cetera and the policies of government. That is why I am at a loss, quite frankly, and I am not very frequently there, as to what more I can say, unless my honourable colleague can perhaps give me more clarity and I will see what I can do. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Mr. Chairman, all I am trying to establish is, is the Financial Management Board responsible for the BIP policy? We know that RWED is not responsible for administering it, but nobody wants to take responsibility for having established it. That is the problem here. Whoever established this thing, should answer for it. How can the Financial Management Board tell me that as far as he knows, and the Minister of RWED knows the program is effective, when, in fact, he does not know how much we spent on this thing last year? How can you tell me that it is effective? You do not know how much it costs.

CHAIRMAN (Mr. Ningark):

Thank you. I will recognize Mr. Todd and then the Premier, subsequently. Mr. Todd.

HON. JOHN TODD:

Let me tell my honourable colleague how I define it as a success. Prior to the BIP being in place there was not 94 percent of the business interest in the spending this government has spent in northern hands. That is a fact, not fiction. If he wants me to quantify the dollars, it would be a lot more difficult. That is what I am trying to say. That policy was the responsibility of the government of the day in which this current government is monitoring and policing. The reality is, at least from my perspective, and Mr. Steen may see it differently, 94 percent of the government's money that is spent on contracts and purchasing of services is now in the hands of northerners. It was not that way prior to the business incentive policy. That is all I am saying, nothing else, nothing more. Maybe the Premier has something more to add to that. I do not know how else to answer it.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Premier, do you have anything to add to it?

HON. DON MORIN:

Thank you, Mr. Chairman. The business incentive policy is established by Cabinet of this government, the Executive Council. All of the policies are. For example, the business incentive policy, we have reviewed it in Cabinet and we have decided not to change it because it is successful. We have seen in the past where we had many southern companies lined up at the door every spring to go broke and leave all of our subcontractors left with bills to pay. As the construction season goes on, like Mr. Todd said, it is 94 percent plus to northern businesses now. It is not a subsidy. It is an equalization of doing business in the north. It has exemption from NAFTA, as well. It is recognized and supported by the federal government that the Northwest Territories business incentive policy is an equalization to put our businesses on equal footing because of the actual cost of doing business in the north, living in the north compared to those companies that could bid and shoot people in for the summer months out of Edmonton or southern Canada. Basically, it is a straightforward policy. RWED has a responsibility of implementing the policy. Every department of this government, once it is a government policy put forward by Cabinet, has the responsibility of making sure that when they go to tender or contracts that the business incentive policy is in their tender document. MACA has that responsibility. The Housing Corporation, DPW, Transportation, Arctic College or whoever, as long as they get dollars from this government, they have that responsibility to ensure that the business incentive policy is in place for that tender. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, according to the Ministers, we have achieved 95 percent success in assuring NWT businesses get the contracts. We have achieved this through the business incentive policy. What did it cost us to achieve this? Is that a hard question to ask? Can somebody tell me or do we have a policy in place that nobody knows. Yes, it was successful, but we do not know how much it cost us to be successful. That is the simple question I am trying to ask. Was it \$30

million, \$40 million, no million? That is the question. Somebody, Mr. Chairman, should be able to tell me why we are still grandfathering Canadian North, CIBC, how many billions is CIBC worth and we are still grandfathering them? We are still grandfathering the Toronto Dominion Bank through BIP. We are still grandfathering Imperial Oil. I have a list, I would say there are 30 of them that are grandfathered and they are worth millions. I am trying to find out who I can put these questions to? How much is it costing us to keep the banks where they are? How much is it costing us to let the banks make as much profit as they do? That is the question. How can we sensibly say we are subsidizing. We cannot afford to feed our children, Mr. Todd, but we can afford to subsidize the Imperial Bank of Commerce. That was really the question.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, Mr. Todd.

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HON. JOHN TODD:

We can always use extreme cases, so I will not respond to that, Mr. Chairman. The reality is that there are a number of businesses that are being created over the Northwest Territories that are both aboriginal and non-aboriginal that are homegrown that would not have come about without the courageous policies that were put in place by my predecessors and the continuation with this current government. As one who has been in the private sector and has seen it over the last 20 to 25 years when outsiders came in, time and time again, and took the jobs away from the people I represent and from the industry that I was involved in, I would suggest to you that the policies put in place by our predecessors are the ones right now that were in part responsible for the fact we now have a fairly vibrant private sector that is homegrown in the Northwest Territories. I will not get emotional about it, but I will answer the question, Mr. Steen and ask him if this will partially satisfy him because I know, in fairness to my honourable colleague, it is a very important issue in his eyes. I will try to determine and I will take the responsibility to determine what the level of premium we pay on an annual basis because of the BIP. Would that satisfy him?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. I think that would be basically what I was trying to get at. It took a long time to get there, but could the Minister also determine why we are continuing to subsidize these billionaire people? Thank you, Mr. Chairman, just for the record, we are subsidizing the Hudson's Bay. I just cannot understand and I am sure that are a lot of people in the public that cannot understand why we would choose to subsidize Northern Store Incorporated after all they got out of us as people and they continue to bleed us dry. Thank you.

--Applause

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, I will endeavour to get to my colleague the value of the premium which is paid in the BIP and I will check with my honourable colleague, Mr. Kakfwi, with respect to these large corporations. It was my understanding they were grandfathered and they were no longer there, but I will check into that and see if I can answer the question for Mr. Steen. But it would be remiss of me if I did not challenge to some extent Mr. Steen's assumption that it is only the rich and the powerful that benefit from BIP. The reality is we do have a homegrown - I believe anyway, as one both formally active in the small business community and now an activist in the political community, that the business incentive policy was, not the total policy, but one policy that provided the impetus, if you want, for new northern, private sector, homegrown entrepreneurs to occur. I am not saying without it, it would not have done that, but I am saying it was part of an important shift in policy brought forward by my predecessors and supported by the current government. If I can conclude the debate, if I may, with Mr. Steen who wanted the debate today, I, again, will reiterate that I will provide and try to quantify the premium paid so that we can determine if, in fact, the value of that premium is worthwhile. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total revenues. I have Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. Could the Minister tell us if the BIP does also apply in the non-tax based communities when they issue contracts?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

BIP is a territorial-wide policy, Mr. Chairman, that affects all government spending. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures, \$20 million. Mr. Ootes.

MR. OOTES:

In the case of negotiated contracts or sole-sourced contracts, is the BIP applied on top of the contract price?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

The policy of sole-sourced contracts, negotiated contracts, is that the contracts must be 100 percent northern. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total expenditures, \$20,651,000. Do we agree?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Page 2-27, labour relations and compensation services, operations and maintenance, total operations and maintenance, \$6,187,000. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the whole area of labour relationships and the whole question about employees and affirmative action and whatnot, I have raised several issues where I have been approached by individuals who feel they have been

unfairly dealt with in regard to job positions in this government. I would like to know from the Minister as to what has been done to ensure the number of complaints are dealt with fairly?

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Krutko and Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Mr. Chairman. We do have a staffing appeal process which has an independent chairperson and that process seems to, I am advised, work relatively well. I think the fact we have an independent chairperson makes it work that way and we are relatively content with the process in place right now. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. Can the Minister tell us exactly what the statistics are in regard to the number of complaints and the number of complaints which have been concluded in regard to those instances of people which have filed grievances? Is there a large amount? Have all of them been concluded? Is there a list of individuals who are still

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outstanding and, if so, does he have some figures on exactly the number of grievances and the number that have been concluded?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I do not have an up-to-date list of grievances, et cetera, and ones that are concluded. I can provide that to my honourable colleague. But I will say, we do publish on an annual basis how many appeals, et cetera, in the Public Service Annual Report, which provides everybody with the opportunity to see what is the consolidated position on appeals on an annual basis. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Labour relations. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the area of employees and such, it seems like there are cases where you hear of the jobs that are advertised which are sort of catered to some specific individuals in the qualifications, especially for long-term northerners with regard to degrees. Yet, they might not have the degrees, but they have the experience of working in that particular area, but may be lacking a PhD or some degree where basically they do not have the long education commitment to go to university and get a PhD, but yet, they have the qualifications of having done the job before and working in that particular field. Then, they are disqualified based on the criteria that they do not have the proper degrees to fill that particular portion of the contract that has been posted. Is there anything in regard to that particular item, where a job description is catered in such a way that it meets certain individuals who may not qualify from the north, where basically that job will have to be filled by people in the south to meet the - I wonder if I have the attention of the Minister at this time? Could he answer that please?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

Mr. Chairman, we have just gone through a complete job evaluation of all the jobs, I think, in the government which we have to do anyway for pay equity and a variety of other reasons. In that, we have tried to reflect, if you want, northern needs and northern requirements. We have, as I say, concurred with the affirmative action report that was brought down. The minority report was brought down by my honourable colleagues, Mr. Erasmus, Mr. Miltenberger and, I believe, Mr. Henry. We have put the responsibility and the onus on the Ministers and the deputy ministers to ensure more northerners, and in particular, affirmative action northerners, are recruited into the civil service. I spoke earlier yesterday or the day before with respect we will be tabling in the House the success, if you want, or the status of each department, department by department, on northern and affirmative action hiring. I am fairly confident some of these steps that we put in place will bring about even more northerners than we currently have within our civil service, et cetera. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the numbers of affirmative action candidates, in regard to PY positions, it seems like there is a small percentage of aboriginal people at the senior management level. What has the department done to try to encourage or entice aboriginal people to move into the senior management level? Does he have any statistics to show if there has been an increase or not in that particular area?

CHAIRMAN (Mr. Ningark):

Mahsi cho. Mr. Minister.

HON. JOHN TODD:

All I can do is talk for this government. I know that the Premier in his instructions to the Cabinet Ministers has made it clear, he expects greater progress and if you want, greater participation by both northerners and affirmative action northerners in the civil service. We have hired a manager of development coordination to assist in moving more and more people into the civil service. Mr. Voytilla and his crew have worked hard at career development and we are trying to move more and more people into senior management positions. I think, while it may appear sometimes that progress is slow, we are certainly moving in the right direction. The tone has been set by the Premier and the Cabinet as to what is now expected of politicians who have responsibility for their departments, of the senior managers and the deputy ministers. The fact that we are going to make this a public process by tabling the status of each department, I think, will give my honourable colleague some assurance that there will be a way in which to monitor not only the performance of the Ministers and performance of the government, but also the civil service itself. So, as I said, we certainly have a long way to go, but I think we are on the right track. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Labour relations. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. I believe, when I first arrived in this House two years ago, basically, this

was one of the areas we felt had to be a priority item. We had to have more aboriginal people, especially in regard to affirmative one positions, at the senior management level. I think we are still talking about this particular item. I think there was some concern raised by ourselves in the House when they were talking about doing away with the Department of Personnel and allowing the managers to manage and giving them the authority to hire their own individuals to work in those different sectors. This was one of the concerns we had which is to ensure that there would have been something done in this particular area. So, I would like to ask the Minister again, has there been an increase in the number of aboriginal people, especially in the managerial level of this government?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

You know, in fairness to my honourable colleague, I want to step back a little bit just so he understands where I am coming from. The Premier instituted a new system that made the Ministers and the departments accountable for their performance and recruitment of affirmative action employees and northerners, et cetera, rather than a department to be accountable, in terms of the old

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Department of Personnel. I believe, as the Premier did, that this is the way in which to do it. So, the Ministers have some responsibility and they are accountable to this House for their performance. They have to table on an annual basis from now, how well they have done or others would say how badly they have done. I would suggest to my honourable colleague that in terms of northern employees and affirmative action employees in the GNWT, there has been a significant increase. But it would be fair to say, we have not done as well in senior management and we are working aggressively to try to correct that, Mr. Chairman. There is clearly a political commitment on behalf of the Members of this House and the Cabinet to make that happen. I think everybody was well intentioned in the past, but this policy of bringing more northerners, in particular, affirmative action northerners, into the government is a priority. It is both correct in terms of the way in which we do business; it is financially sound and it is just good business to ensure that the populace has adequate access to the jobs and opportunities this government

has. That is certainly our intention and I hope that we will be able to demonstrate to my honourable colleague that, in fact, there has been some improvement in terms of participation by affirmative action northerners in the Government of the Northwest Territories.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Premier. We are dealing with labour relations and compensation services. The time is up. I have Mr. Picco and Mr. Henry. Mr. Picco, to page 2-27.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, I note that in the main estimates for the Department of Labour Relations and Compensation Services there is an increase from the mains to the main estimates for 1998-99 from the previous year of \$929,000, \$929,000 increase, almost \$1 million. I wonder if the Minister could inform us of why that increase is there?

CHAIRMAN (Mr. Ningark):

Thank you. On the operations and maintenance, Mr. Minister.

HON. JOHN TODD:

Yes, as my honourable colleague knows, when we are in committee that is the dollars that we have set aside to resolve the pay equity issue. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, I just wanted to confirm that, indeed, at this time, how much has the pay equity situation cost this government and if you do not have the actual dollar values I would like to have an approximation of how much it has cost us to date in court cases, appeals, staffing? I know last year we had to hire some extra staff as indicated by the overage at this time in the budget. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

I could not tell you today what exactly we spent. If you want to cut off today, all I know is that we budgeted close to \$1.5 million, I believe, and it is ongoing expenditures as we speak. We required consultants, staff time, the usual expenses of travel, et cetera. It would be difficult to quantify today what exactly has been spent, but I can tell you what the overall expenditures that we have allocated for it and that is \$1.5 million. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. Total operations, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. I am just using my calculator here to check the amounts. If that is the case, the \$1.5 million, is that \$1.5 million indicated in the main estimates here under the \$4,106,000?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

If my honourable colleague would see that the \$4,106,000 is salaries and wages and that the \$208,000 one is O and M. Therefore, it is probably a combination of both because you have salaries and wages; you have got consultants which would come out of O and M; you have got expenses which would come out of O and M; et cetera so...It is in the \$6,187,000.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, earlier in the week, the Minister talked about the job evaluations and so on, and there was some discussion around that. With the ongoing pay equity situation that is in place, the government has done a job evaluation structure for paying employees. I wonder if that job evaluation structure is actually reflecting the gender neutral agreement which has brought about the pay equities decision. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

The job evaluation system that we underwent, which we would like to put into effect April 1st of this year, does ensure that the jobs are then gender neutral.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, so if that is the case, we are not doing that right now, is that correct? That, indeed, there are people working under the principle of equal pay for equal work, equal value and are actually not being paid for that? Is that correct?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd.

HON. JOHN TODD:

We are currently negotiating that with our colleagues and the UNW. As I say, I am optimistic that we can get an agreement reached so that we can get on with paying and making sure we have a gender neutral pay evaluation system by April 1, 1998. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Picco.

MR. PICCO:

So I guess then we are acknowledging we are not gender neutral and indeed will not be gender neutral until April 1st and thus, there must be retroactivity if you change on

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April 1st, if these job descriptions are changed to reflect equal pay for equal work? Is that correct?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, thank you, Mr. Chairman. We have recognized, and I have certainly, as the Minister responsible, the pay equity problem with respect to job evaluation, and we are attempting to negotiate and resolve that. As I

said, I am confident we can do that effective April 1, 1998.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, one of the key areas under the labour relations and compensation services, even in our own acknowledgement in the book that I read, it says maintaining good labour relations. I understand that yesterday I saw a thing called Eye on the Ledge from the Union of Northern Workers who maintain that, indeed, the government seemed to be subterfuging or not coming clear with the statements and questions made by the Minister in the House. Could the Minister tell us, at this time, what is the state of our labour relations?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Well, I never read the comments in Eye on the Ledge, but my position has been, and I think if you look back, I have rarely made any disparaging comments about the leadership of the UNW, et cetera. What they choose to write and what they choose to say about myself or the Cabinet is their responsibility, not mine. We have put a fair offer, we believe, on the table with respect to pay equity, et cetera. I hope I have demonstrated to this House and to the public at large that I want to be open and fair on the whole issue of collective bargaining, but you know, when you have got two sides to any issue, you are going to have differences of opinion and dispute. Each has their own style and tactics, and I am not about to make any comment on theirs, and they are welcome to make as many comments on line as they so wish.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman, and welcome to the chair. Mr. Chairman, I would ask Mr. Todd just to go back just a little bit under compensation services. I had mentioned in my Budget Address reply and the questions before in the House how our civil service

have not had an increase since 1992, I believe. We rolled them back six percent and then took away the vacation travel allowance and assistance. I had asked, at that time, maybe an indication from the Finance Minister that, indeed, we are going to try to help out our employees who the Finance Minister had said were the back bone of our government. I am wondering now if Mr. Todd has taken those statements and comments. Has he had a chance to address those comments? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

He is the former vice-president of the UNW. I am surprised, Mr. Speaker, that he would even ask me these questions. He is fully aware, of course, he could be looking for newspapers again, but he is fully aware that we are currently in negotiations with the UNW. I am not at liberty and would not, and he knows that, would not circumvent the negotiation process. I am really quite taken aback that he would ask that question given his background and his knowledge of how negotiations go about. We are in negotiations, for heaven's sake, and he knows that. It would be unfair for me to make any comment to both sides. Just let the negotiation process take its course. This government is sensitive, just as he is, to our civil service, and I do believe that many of my friends and relations who are in the civil service have worked hard for this government. We would not have gone through the troubles we had without them. I just think that is an inappropriate question to ask me at this time. I think he knows it.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. For the record, we are on page 2-27, activity summary, labour relations and compensation services, total operations and maintenance, \$6,187,000. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, it is a day for corrections, so I should correct the Finance Minister. No, I did not make that comment for the sake of the newspapers or media. I was asking it in a serious manner, and I was never the vice-president of the Union of Northern Workers. I was a regional and local president who served on the negotiating team. There is quite a difference. Mr. Todd knows fully well,

as I do the UNW only make up one component of our work force that are currently in negotiations. I was thinking about the people who are excluded from the bargaining unit. I was thinking about the Northwest Territories Teachers' Association who just completed a negotiated settlement and accepted their contract. I was thinking about those types of employees, not necessarily the UNW. So that is what I meant when I asked if he looked at that. Has he looked at those types of people? I know you cannot circumvent the negotiating that is going on right now. So those brothers and sisters out there who are actually in and outside the bargaining unit, and I would appreciate a response from a Minister that was not flippant, sarcastic or challenging to open me up for a debate because I understand that you are not supposed to ask questions to start a debate. I was asking in an honest manner, and I have tried to not cause any type of debate with Mr. Todd. I am trying to ask these questions in a very serious and not facetious way so I would expect that the retort from the honourable Member would, indeed, be in the same circumstances. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

That was wonderful, Mr. Chairman, just wonderful. The reality is, of course, the NWTTA has already agreed to a collective agreement. So that is the issue that Mr. Picco points out is looking after their interest is irrelevant. They voted on it, so it is a dead issue. Management, we will handle, and UNW, I am not prepared to discuss it because it is under negotiations right now. We will have to see how that unfolds. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. I recognize Mr. Henry.

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MR. HENRY:

Thank you, Mr. Chairman. Again on the issue of pay equity, the Minister mentioned some time back that the government was presently involved in a job evaluation performance for the pay equity issue. My question is, is this solely a government process or are the Union of Northern Workers involved in that process. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Job evaluation was done by the government per se, but we have to negotiate it, as my deputy says, the pay structure with the UNW.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I have some questions surrounding that. I appreciate that the Minister says that negotiations will take their course, and that is fine. What I am trying to get an understanding for is if there was no change to the present contract, and that will come out through in negotiations, but if there was no change how much more would it cost the government to initiate pay equity for our present employees?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I cannot, at this time, disclose that, Mr. Chairman, because we are in negotiations. What we think the ongoing cost would be should be reached in a satisfactory settlement on pay equity and the job evaluation. I cannot say at this time. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

So then it is all up to a process in negotiations? Is the Minister telling us that the amount of money that we settle on for the obligations up until April 1, 1998 are reflective of what the ongoing and future costs will be?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

The outcome of pay equity and the job evaluation will ultimately reflect the overall ongoing costs to this government. Is that the question? I am sorry I ...

CHAIRMAN (Mr. Steen):

Mr. Todd, do you want clarification on the question?

HON. JOHN TODD:

If we reach a satisfactory agreement on pay equity, there are two issues to pay equity. There is retroactivity, that is what we owe people from X years, which is about ten years that things have been going on. I would like, for the record to say once again that this Minister wants to solve it and wants to put cash in the hands of our employees. There is a retroactivity and then there is an ongoing cost that would be reflected in our overall costs in our wages and salaries. Absolutely, yes. But that is currently under negotiations, as I said, and as I am sure all the Members are aware, it is fairly sensitive. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The Minister had mentioned that the federal government are also in a pay equity dispute. Can he advise us, given that this government has taken a lot of criticism for the length of time it has taken to resolve that issue, how long has the federal government had their pay equity issue unresolved?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

I believe it is well over ten years, Mr. Chairman. I want to say, again for the record, I would like to be able to come to this House and reach a satisfactory, negotiated, affordable settlement to be able to put money into the hands of our employees, both in the retroactive and on the ongoing side. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Total operations and maintenance, \$6,187,000. Do you have further questions, Mr. Henry?

MR. HENRY:

No. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

I would like to recognize Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I was wondering if the FMBS is responsible for looking into appeals when people feel they have not been treated fairly in the hiring process?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Yes.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Does the Minister know if there has been an increase in the amount of appeals in the past year, in relation to the previous year?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I did indicate, I think earlier, I was prepared to provide full details of that situation that Mr. Erasmus asks and also, just for clarity purposes, to advise him and others that this whole issue of appeals, et cetera, is published on an annual basis in the Public Service Annual Report and, as I said to Mr. Krutko earlier, I will provide the House with the current status of appeals and, if he wants, successes and failures. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Yes, it would be nice to have the successes and failures. Also, if we could

have the comparison to the previous year and the years before when the Personnel Secretariat lost the duties that it used to have in relation to being involved in the hiring process.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Agreed, Mr. Chairman. Agreed.

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CHAIRMAN (Mr. Steen):

We are on total operations and maintenance, page 2-27. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Is the Minister aware of any other jurisdictions that have resolved pay equity issues?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Yes, Mr. Chairman. I do not know, I cannot remember. There were some there, but I know there has been some pay equity issues resolved in some of the provincial jurisdictions and, as you know, there is a huge pay equity issue at the national level.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. I do not anticipate the Minister would have that information, but I would ask him to please prepare some information in regard to the remuneration paid by governments in other jurisdictions under the pay equity issue at some time later for the House? Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd, do you wish to respond?

HON. JOHN TODD:

Agreed, Mr. Chairman. Agreed.

CHAIRMAN (Mr. Steen):

Thank you. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Just following up on Mr. Henry's question, could the Minister also indicate which provinces have not finalized their pay equity situations? Also could he indicate how they arrived at the solutions for the settlements and the areas that have settled their disputes?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Well, it will probably take some time to gather that information and it will be subject to concurrence of the appropriate provincial jurisdiction. Certainly, I think in our research we have done some of that work anyway. I will undertake to provide that information to my honourable colleague. Yes.

CHAIRMAN (Mr. Steen):

Just for the record, Mr. Todd. You have undertaken to provide a fair amount of information. When could the committee expect to see all this information?

HON. JOHN TODD:

I am not prepared to say that I can get some of this information overnight. Some of this stuff is going to take some time and some research. It would be difficult for me to quantify. I will say that I will try to get it as expeditiously as possible, but I cannot determine sitting here without doing some phone calls and doing some research, and talking to the staff as to just how long it will take. But I certainly will make the effort to get it as quickly as we can.

CHAIRMAN (Mr. Steen):

Mr. Todd, for the record, a lot of this information is related to the activity in question, and the department in question. Will this information be available before the Members are required to approve the department's budget?

HON. JOHN TODD:

My able deputy advises me that under the fraud issue, we will give it to you next week. The BIP may take a little longer. It may take somewhere around a month to two months. The appeals, we will give that to you next week; and on the pay equity issue, we will give you some of it next week and the rest of it within the next two to three weeks.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. For the record we are on Financial Management Board Secretariat, activity summary, labour relations and compensation services, page 2-27, operations and maintenance, total operations and maintenance, \$6,187,000. I recognize Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Does this government have a provision in the budget that indicates a liability for this pay equity issue?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

No, we do not have a figure on the liability because it is under negotiations at this time. I have not booked within the income statement or the balance sheet a liability. We think, Mr. Chairman, what we put on the table earlier this week was a fair and affordable proposal, and I am hoping we can get the agreement. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. Would the Minister or his able deputy know how the federal or the provincial governments deal with this in their budget? Do they indicate a liability of any sort, or do they just put a note in there that this is pending?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

I will ask Mr. Voytilla to answer that question, to make sure that I do not make any foibles with respect to Mr. Erasmus' question.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Voytilla.

MR. VOYTILLA:

Thank you, Mr. Chairman. All governments or the majority of them in producing their financial statements adhere to accounting policies that are nationally recognized and accepted. Those policies provide the guidelines under which liabilities are reported and dealt with. In the case of something like pay equity, it would depend on the circumstances in the particular jurisdiction whether they actually booked an amount or not. Where you can reasonably estimate the amount of the liability, then you would be obligated to book an amount to actually charge the amount. Where you are not able to reasonably estimate it, then you would have to disclose it in your notes to your financial statements. In our circumstances because we have not been able to reasonably estimate it, we have not booked an amount but we have, for a number of years, disclosed the potential contingent liability in notes to our financial statements. Our actions have been in accordance with the generally accepted

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accounting principles that we have to adhere to when we are preparing our financial statements.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Voytilla. Mr. Erasmus.

MR. ERASMUS:

Mr. Chairman, what is the reason why we cannot reasonably estimate this amount? Is it because we do not know the number of employees involved or which ones are involved?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, if I can be blunt, the reality is that this issue was, unfortunately, in previous governments, put on the back burner. I decided as the Minister of

Finance, along with my deputy, that we had to try and find a negotiated, affordable settlement that we are now in a position today to have a fairly accurate costing of what we believe is a fair offer based upon the work that has been done by a Canadian firm, called Hay and Associates, working with our people here in Yellowknife. The Hay and Associates Group are active in this field of job evaluation Canada-wide and are well known within the industry. I think we are in a better position and we are in a very accurate position today to defend publicly and otherwise, what we believe is a fair and affordable settlement with respect to pay equity and job evaluation.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. I am on total operations and maintenance, \$6,187,000. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The Minister stated a number of times and just recently while sitting at the table, he has a fair and equitable offer on the table to the UNW. Was that offer predicated on information he has on settlements which are already in place or what the government can afford?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

It is based upon the fact that we now have, with Hay and Associates, who are renowned in this field across Canada, accurate job evaluation information completed. We have cosseted it accordingly. We have presented it to our partners, the UNW. We hope, that at the end of the day, common sense will prevail and that we will be able to move forward in reaching an arrangement where we can compensate our staff in a manner that does not affect the overall fiscal framework of this government and avoid any future difficult decisions left to be made with respect to the cutting of employees or programs. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. The group that the Minister has talked about consulting with and advising this government on this pay equity issue, have they

worked with other governments in successfully resolving other pay equity issues with other governments?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

You have heard the term the Hay Plan, which we currently use? Hay and Associates' evaluation system is used by many jurisdictions across the country and we are confident their data and their position and their evaluation and analysis that they have given us will stand up and is defensible. As I said, they do have Canada-wide involvement and are renowned within the field. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. My question was, this Hay and Associates, have they worked with other governments that have been successful in settling their outstanding pay equity issues?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Mr. Chairman, I do not have that answer at my fingertips, but Mr. Voytilla does know that the Hay Plan system was used in one jurisdiction where pay equity was resolved. I am just telling you that we believe we have the right level of professional expertise with the right analysis now done that more accurately reflects the new job evaluation which we are now able to cost, and we have put it on the table. It is again, and I will repeat it, I believe it is a fair, affordable negotiated, hopefully, settlement and I look forward to common sense prevailing and getting on with putting money in the hands of our employees. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. Final question, I know the Minister is committed to resolving this issue before the end of March I think it is important to potentially know the downside. I certainly would like to. A question I have for the Minister, is there any board or judicial body, in the event that the UNW and the Government of the Northwest Territories cannot reach a resolution in this matter, that can come in and impose and say, you shall pay this amount?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Henry. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Yes, there is and that is why I keep saying I want a negotiated settlement, northerners should solve northern problems. A human rights tribunal has jurisdiction over this area and if we cannot reach a negotiated settlement it will ultimately go into their lap to make the decision for us.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. I am on page 2-27, operations and maintenance, total operations and maintenance, \$6,187,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Total expenditures, \$6,187,000. Agreed?

SOME HON. MEMBERS:

Agreed.

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CHAIRMAN (Mr. Steen):

Page 2-28, activity summaries, government accounting, operations and maintenance, total operations and maintenance, \$11,469,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Total expenditures, \$11,469,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Thank you. Page 2-29, activity summary, audit, budgeting and evaluation, operations and maintenance, total operations and maintenance, \$4,153,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, under the audit, budgeting and evaluation, on page 2-29, I had some questions concerning the information management division which is responsible for coordinating and managing maintenance of the government's major corporate systems including the micro computer. Recently during the Nunavut Leaders Meeting in Iqaluit the federal government committed, I believe it was, \$6 million or \$8 million to helping Nunavut get up and running with an information system. However, during the Auditor General for Canada's report he had asked some questions in that report about the information system. I understand the information system for the western territorial government after April 1, 1999 may need to be replaced too. Could I have some information on that from the Minister?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

On the human resource side, as you know, I indicated in the budget that we had reached an agreement with the Interim Commissioner on the implementation of a new computerization system on the human resource side. I think it was somewhere in the region of about \$4.4 million on a 50/50 split, so we are optimistic we can get that in place by April 1, 1999. We certainly hope so and we are striving to do that. We appreciate the cooperation of the Interim Commissioner's office in not only jointly sponsoring this issue but also paying the cost. I understand we may be doing a joint

press release on that issue tomorrow with the Interim Commissioner's office. So we are encouraged by that. We think it will bring state of the art communication systems into the two new governments as we move forward into the new millennium. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, there was some concern last year and earlier this year with regard to the audit function and the department in general. In my region, as an example, I believe we had laid off some employees there and in some other parts of Nunavut and the Western Territory. I am wondering how is the audit bureau handling some of these cutbacks, not only in headquarters but in the regions. I understand that there was quite a bit of work to do and it was causing some concern. Maybe the Minister could update us at this time on that situation? Thank you. Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. Well, the reality is we did not cut back on the audit bureau actually, Mr. Chairman, so we are doing very well I understand. There were no cutbacks, not in the audit bureau.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, if those positions that were cut were not actually under the audit bureau but in the department of FMBS at the local level, then what were those positions?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd?

HON. JOHN TODD:

Thank you, Mr. Chairman. They could be a variety of positions, Mr. Chairman. I do not have them at my fingertips. It could be anything from a clerk to a user pay/user say initiative we put in place, maybe some

people in collections, et cetera. I think I have said in my opening comments that I think we have had about a 20 percent reduction. We are still managing to hold our own and provide the government with the kind of support services that they have become accustomed to and we are able to do that with the current staff that we have.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. So there is no anticipation then of having anyone else being downsized or having a layoff notice or anything in the audit bureau or in the department under audit, budgeting and evaluation?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Well, I think I made it fairly clear in my budget speech that the cuts were over. I do not anticipate any cutbacks in staff with respect to my department. I think with the complement we have we can perform the task that is before us and I am very comfortable that we can continue to do that.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Just a question under the budgeting and evaluation division of the Financial Management Secretariat, they have analyst legal service provided to the Financial Management Board. I wonder if that is only here at the headquarters level or are those functions also carried out at the regional level?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, the Financial Management Board of course, operates out of headquarters and all these jobs are headquarters jobs.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Yes, thank you. I know the Financial Management Board operates out of headquarters, but we also have FMBS offices in communities, is that not correct?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, that is but he asked me about the analysts and I said they all work out of Yellowknife.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. We are on page 2-29, total operations and maintenance, \$4,153,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

I recognize Mr. Erasmus.

MR. ERASMUS:

Thank you, Mr. Chairman. I may have waited too long to ask this. Is this the area that the payroll tax comes under?

CHAIRMAN (Mr. Steen):

I am sorry, I missed your question, Mr. Erasmus.

MR. ERASMUS:

That is fine, Mr. Chairman. Mr. Krutko answered my question.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Erasmus. Total operations and maintenance, \$4,153,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Total expenditures on page 2-29, \$4,153,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Page 2-30, details of grants and contributions, contributions. Total contributions, \$7,866,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Page 2-31, information item, activity positions.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Page 2-32, detail of work performed on behalf of third parties.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

We will go back to page 2-25. Financial Management Board Secretariat, program summary, operations and maintenance, total operations and maintenance, \$42,460,000. I now recognize Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, just some points of clarification. Indeed when we are looking at the active positions in the main estimates under 2-31, which will include the total and other operations and maintenance because they are salaries and wages, I note, for example, at headquarters there was actually an increase of one position, full-time, but I note in the regions, as I had earlier stated, for example in my region we dropped from 15 to 11 full-time positions, in the Keewatin region we dropped by four full-time positions, I wonder why the regions seem to be losing positions under the Financial Management Board Secretariat?

CHAIRMAN (Mr. Steen):

Mr. Picco, are you asking to go back to page 2-31 active positions?

MR. PICCO:

Well, I do not know Mr. Chairman, that would be at your discretion. I would say to you that, indeed, if we are looking at the final finality under 2-25, \$42,460,000 which includes salaries and wages I was asking about positions. If you want to go back to 2-31 that is fine, but I think it is covered under \$42,460,000.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. I believe you have a legitimate argument that in fact program summary covers the whole activities, therefore I will allow your question to Mr. Todd.

HON. JOHN TODD:

The primary reason for the cutbacks at the regional level was because of the user pay/user say initiative when we pushed out responsibilities for those out to the departments. So we lost those jobs, and we have explained that in committee on several occasions. That is really the primary reason for it.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman. Mr. Chairman, it is very nice when things are explained in committee, but that is true, sometimes they are explained in committee and a lot of people who have an opportunity to read Hansard and so on, do not know what goes on in committee. Sometimes you ask questions so that the information can come out. I wonder if a follow up question to the Minister would be, indeed, because those positions were not needed, because of user pay/user say, would it be safe to assume that the majority of these employees received employment opportunities then from the departments which took over the responsibilities? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Well, I cannot tell, that is a detailed question. I know there was a concerted effort on the part of government that where there were layoffs, we have to go back, to discuss that. The last two years we made the effort to try to reallocate people to different jobs. I do not have that level of detail here. If my honourable colleague wants it, I would be only too happy to get it.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Picco, do you want it?

MR. PICCO:

I just saw a difference of only 12 positions, so I thought that 12 positions, with the deputy minister there, Mr. Todd, I thought it would be very easy. I know, for example, in

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my riding the four positions I know of, at least, I think two have gone into government positions. I would have expected the same from the department. I would appreciate that information from the Minister if that is possible. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Picco. Mr. Todd.

HON. JOHN TODD:

Yes, sir.

CHAIRMAN (Mr. Steen):

Program summary, operations and maintenance, total operations and maintenance, \$42,460,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Total expenditures, on page 2-25, \$42,460,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Mr. Krutko.

MR. KRUTKO:

Can you identify what page we are on?

CHAIRMAN (Mr. Steen):

I said, Mr. Krutko, we are on page 2-25, which is program summary. The last figure I called was total expenditures, \$42,460,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Steen):

Mr. Krutko.

MR. KRUTKO:

Thank you. In regard to that amount, I believe there was \$7,433,000 spent on power subsidies. I have heard a lot of concerns with regard to the Power Corporation regarding the rates the Giant Mine and what not are saying that, where there are a lot of our communities where there have been increases that have affected the figures in regard to my riding where it is 34 cents a kilowatt and in some cases some mines are being subsidized at 11 cents a kilowatt. I would like to know, in regard to this government paying almost \$7.5 million to this particular fund, how is it distributed? Is it distributed based on the communities, or how does the subsidy work?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. I believe you were not quite finished? Mr. Krutko, were you finished with your question?

MR. KRUTKO:

Yes, Mr. Chairman. I would like to know exactly how this subsidy has been delivered. Is it based on communities or individuals or corporations or companies?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Again, because program summary basically covers all of the activities, I will allow the question, but I would like to point out that the actual power subsidy is addressed on page 2-30. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. The power subsidy is both a domestic and commercial one. It comes directly off the bill, if you want, with respect to domestic homeowners and small business. It is based upon, I believe Mr. Dent would probably give me a more accurate reflection, but it is based upon the same amount of kilowatts at the Yellowknife rate. It is based upon those x amount of kilowatts at Yellowknife rate, say, in Rankin Inlet and the subsidy would be the difference between the two. That is taken directly off of your bill on a month-to-month basis, if you are a private homeowner. There is also another subsidy on the small business/commercial side. The commercial subsidy, Mr. Voytilla advised me, you have to make an application for that. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. In regard to the actual expenditures of this government, the number I was talking about, the \$7,433,00. Does it fit into the overall total of the \$42,460,000, in regard to the way it is being distributed, because there has been a real increase, especially in my riding where private homeowners have seen an increase in their power bills. They say the subsidy is being fair in regard to the commercial subsidy which has gone down, but to the public, individual private homeowners it has gone up. Seeing exactly how these subsidies will assist the domestic use in a lot of these communities where you see increases in some communities but decreases in others, has there been a review to see exactly how this will affect each and every community in regards to the domestic usage?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Todd, do you wish to respond?

HON. JOHN TODD:

Why not, Mr. Chairman. Let me try again. The domestic subsidy is provided to all homeowners right across the territories. The subsidy is for 700 kilowatts. It is subsidized down to the Yellowknife rate. So, if, for example, client A in Fort McPherson has a house, they get a subsidy that is the equivalent for the first 700 kilowatts of the Yellowknife rate. That is determined, I think, by the NWT Power Corporation.

Mr. Dent, when his budget comes forward, will be able to talk about the details of it, but that is how it works. That subsidy is growing, quite frankly, Mr. Chairman. I think there is some concern. I am sure Mr. Dent will talk to it later on in the budget. It has gone up to, as we say, over \$7 million. Thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. If we are using the Yellowknife rate, does that include the hikes that have occurred in Yellowknife because of the low water levels and the higher cost of generating power having to use more diesel? Has that been part of the picture in which there has been also an increase in Yellowknife, if that is what you are basing it on, causing the higher cost of power because of the low water in the hydro-grid?

CHAIRMAN (Mr. Steen):

Thank you, Mr. Krutko. Mr. Todd.

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HON. JOHN TODD:

No, Mr. Chairman, we have kept the increase because of the low water surcharge out of the equation. So, the answer is no, Mr. Chairman, thank you.

CHAIRMAN (Mr. Steen):

Thank you, Mr. Todd. Before I recognize Mr. Krutko again, I would like to point out to the committee that I have been advised the purpose of calling out the program summary is to conclude the review of a department rather than to ask specific questions on specific activities. Members are asked to pose their questions when the appropriate activity or item is being called. I recognize Mr. Krutko.

MR. KRUTKO:

Thank you, Mr. Chairman. The question I am asking is based on the amount that is in the overall budget, which consists of the particular item that I am speaking on, which makes up the total of the department. In regard to the subsidy question concerning my riding where there was an initiative taken by the Power Corporation and a development

corporation to look at the whole area of lost heat with the understanding from the community that there would be savings seen in their power rates, but there has not been. It seems there is an increase in the rate of power versus this new initiative which was supposed to be a savings not only to the Power Corporation but to the community where the price of power was supposed to go down.

CHAIRMAN (Mr. Steen):

Mr. Krutko, I have to recognize the clock. It is past 6:00 p.m. Therefore, I will have to ask you to pose your question again tomorrow. I thank the Minister and his witness. I will rise and report progress.

MR. SPEAKER:

Good evening, the House will come back to order. Mr. Picco.

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to go back to tabled documents.

MR. SPEAKER:

The Member for Iqaluit is seeking unanimous consent to go back to item 14, tabling of documents. Do we have any nays? There are no nays. Mr. Picco, you have unanimous consent.

REVERT TO ITEM 14: TABLING OF DOCUMENTS

Tabled Document 26-13(5): Memo From NWTTA President to DECs, DEAs and Directors Re: Housing

MR. PICCO:

Thank you, Mr. Speaker. Thank you, colleagues. Mr. Speaker, I would like to table a document from the Northwest Territories Teachers Association concerning problems with housing.

Tabled Document 27-13(5): Letter From Baffin Divisional Education Council Re: Housing Issues

I would also like to table a letter from the Baffin Divisional Board of Education pointing out communities that have problems with housing.

Tabled Document 28-13(5): Internet Message From Mary West: Baffin Fetal Alcohol Network

MR. SPEAKER:

Thank you. Tabling of documents. Item 21, report of the committee of the whole. Mr. Steen.

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, your committee had been considering Bill 8, Appropriations Act, 1998-99, and would like to report progress. Mr. Speaker, I move that the report of committee of the whole be concurred with.

MR. SPEAKER:

Thank you. Seconded by Mr. Arlooktoo. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried. Item 22, third reading of bills. Item 23, orders of the day, Mr. Clerk.

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, there will be a meeting of the Western Caucus immediately after adjournment. There will be a meeting of the Ordinary Members' Caucus at 9:00 a.m.

Orders of the day for Friday, January 30, 1998:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. 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

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17. Motions

- Motion 12-13(5), Approval of Formula Financing Agreement (Mr. Todd)

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 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

- Tabled Document 19-13(5), Guidelines for Implementing Public/ Private Partnerships

21. Report of Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

MR. SPEAKER:

Thank you. This House stands adjourned to Friday,
January 30, 1998 at 10:00 a.m.

--ADJOURNMENT