



**NORTHWEST TERRITORIES  
LEGISLATIVE ASSEMBLY**

**5th Session**

**Day 16**

**13<sup>th</sup> Assembly**

**HANSARD**

**WEDNESDAY, FEBRUARY 4, 1998**

Pages 535 - 571

Page numbers reflect printed Hansard

The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

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

ITEM 1: PRAYER

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

**SPEAKER (Hon. Samuel Gargan):**

Thank you, Mrs. Groenewegen. Good afternoon. Orders of the day. Item 2, Ministers' statements. Mr. Morin.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 40-13(5): Lahm Ridge Tower Lease

**HON. DON MORIN:**

Thank you, Mr. Speaker. I rise today to tell you that I am fed up with the speculation and innuendo which is being repeated in this building, in the press and on the street about the Lahm Ridge Tower lease.

This is damaging the reputation of not only myself as your Premier but the Cabinet and the Legislature as a whole. It is also damaging and disrespectful to senior managers in the Government of the Northwest Territories and private citizens and it is untrue.

First, Mr. Speaker, I categorically deny any wrong doing or interference in the Lahm Ridge Tower lease by myself, my Cabinet colleagues and by my deputy ministers.

--Applause

Second the lease extension was and is a good deal for this government. But you know this, all the information has been put on the table. The Minister of

Public Works and Services has tabled a chronology of events regarding the Lahm Ridge Tower office lease in this Assembly. The Minister and deputy minister of Public Works and Services have been candid and forthright in responding to questions on this issue. Despite this, rumours and innuendo continue to flow.

Finally, Mr. Speaker, we do have a process to deal with citizen's concerns about conflict of interest. I challenge the Member from Hay River or anyone else who may believe there is wrong doing to file a complaint against me with the Conflict of Interest Commissioner, that is if they have the guts and political backbone. If not, let us get on with the business of good government. Thank you.

--Applause

**MR. SPEAKER:**

Thank you, Mr. Morin. I would like to remind the Ministers to stick to their statements that they have filed and not stray away from what you have actually filed. Thank you. Ministers' statements. Mr. Dent.

Minister's Statement 41-13(5): Construction Trades for Women

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, as part of celebrations for the Northwest Territories first official Apprenticeship Week, I would like to announce yet another first - the beginning of a new project called Construction Trades for Women.

Construction Trades for Women is a pilot project to introduce young women in the Yellowknife area to careers in construction technologies. The pilot project is a partnership initiative sponsored by North of Sixty Women in Trades and Technology. This project also has the support of the NWT Status of Women Council, the two Yellowknife school boards, Human Resources Development Canada, BHP, the NWT Chamber of Mines, the NWT Construction Association and the Department of Education, Culture and Employment.

Mr. Speaker, 24 young women in grades 10 and 11 will spend two years learning about the construction trades. The project consists of after-school training in various skills such as carpentry, plumbing as well as computer-assisted design. The courses are taught by Melanie Ridgely, who was one of the NWT's top graduating apprentices in 1995, as well as the winner

of Canada Mortgage and Housing Corporation's 1995 Woman Construction Apprentice of the Year Award.

Trades provide excellent opportunities for a lifelong career. The Construction Trades for Women project is an excellent start for these young women who wish to pursue careers in this area. On behalf of my colleagues, I wish them every success. Thank you.

--Applause

**MR. SPEAKER:**

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

ITEM 3: MEMBERS' STATEMENTS

Member's Statement 147-13(5): Intentional Damage to Gas Tanks

Page 536

**MR. EVALOARJUK:**

(Translation) Thank you, Mr. Speaker. Last week during my Member's statement, I recognized and congratulated my constituents' achievements. I would now like to make a statement about something new that has been happening and is very serious and can have serious criminal implications attached to it. This may be something new, however, there have been a number of occasions where people have been putting sugar into gas tanks of skidoos and vehicles and this destroys motors. It is very expensive when this happens and can be very dangerous for operators of boats. If that happens while boaters are out hunting in the ocean, it can become very dangerous out in the open sea. I would prefer to call this action serious under the Criminal Code, but I also realize there is no law to deal with people who do this, just like there is no law to deal with people who sniff substances.

Mr. Speaker, I am not sure which Minister I should question regarding this issue. I would like to work with my honourable colleagues as to how we can make laws to deal with people who commit acts of this sort instead of waiting for something serious to happen. Thank you, Mr. Speaker. (Translation ends)

--Applause

**MR. SPEAKER:**

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

Member's Statement 148-13(5): Timeframe for Establishing the Decentralized Nunavut Government

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, with the division of the territories approximately 13 months away or 421 days, I believe it is time to put personal differences aside and concentrate all our collective energies on what is best for the people who we are elected to represent. Mr. Speaker, I have some serious reservations about the decentralized model of government for Nunavut that has been agreed to by all the signatories including the GNWT, NTI and the federal government. I clearly understand that the concept of a decentralized model has been approved and accepted. I strongly support it. My concern, Mr. Speaker, is what is the timing or schedule for these jobs and positions to be relocated or transferred to the smaller communities such as Arviat and Baker Lake? Mr. Speaker, I am very certain that the majority of the people, the residents of Nunavut, believe that the long awaited jobs that have been promised with the coming of Nunavut will arrive in the next year or so.

Mr. Speaker, the timing of these jobs is further complicated by the delay in construction for example, of housing units in my home community of Arviat. Mr. Speaker, this can only slow down the process for these transfers and decentralization. Mr. Speaker, most of the residents of Nunavut, especially the elders have waited a lifetime for Nunavut and the associated benefits such as these much needed jobs. Mr. Speaker, I will close by saying we must make every hour count leading up to April 1, 1999 and ensure that all residents know what to expect and most importantly, when to expect it. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Krutko.

Member's Statement 149-13(5): Yellowknife Office Space Lease Arrangements

**MR. KRUTKO:**

Thank you, Mr. Speaker. My statement today is in regard to the question of fairness and opening the area around Yellowknife to other aboriginal organizations to look at the possibility of acquiring real estate in Yellowknife and also having the ability to lease back that space to this government. Mr.

Speaker, I am talking about two organizations in general, the Dene Development Corporation and the Gwich'in Development Corporation, who have made several inquiries into certain real estate transactions in this city in regard to Lahm Ridge Tower, the Laing Building, the Stuart Hodgson Building and other real estate opportunities they are presently looking at. Mr. Speaker, in regard to the comments in this House in reference to the Lahm Ridge Tower, I think the aboriginal groups have made it clear that they will not settle for anything less.

Mr. Speaker, regarding the organizations I speak of in which the Laing Building has been one of the real estate transactions they have been working on for a number of years, the Gwich'in Development Corporation have been looking at it for the last two years. Since then the Dene Development Corporation has taken on looking and purchasing such properties and also the possibility of becoming active in the real estate market in Yellowknife. They are involved in allowing themselves to compete in this market and be able to acquire leases from this government. Mr. Speaker, at the appropriate time I will be asking the Minister of Public Works questions about these leases and why has it taken them so long and why was the Lahm Ridge Tower deal done in such a short period. Thank you.

--Applause

**MR. SPEAKER:**

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

Member's Statement 150-13(5): Seniors' Fuel Subsidies

**MR. ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, today I would like to speak on the issue of seniors' fuel subsidies. Mr. Speaker, it has been some time since there has been heated debate in this Assembly about the issue of seniors' fuel subsidy. I would like to bring it back to this forum in a different area. Once the Minister had reinstated the seniors' fuel subsidy, I believe they did it around the food index as to which communities would be categorized in the different zones. The community of Inuvik was put into zone one. That concerns me, Mr. Speaker, for the simple reason that Inuvik is much farther north than any other communities in zone one. The cost of living is higher than the other communities in zone one. For example,

this is, according to the 1991 census, the family weekly food costs in Inuvik were \$199.00, Hay River \$155.00, Yellowknife \$163.00. By those numbers alone, I guess my

Page 537

question later on will be what entails the food costs? If you are a senior in the Northwest Territories and you own your own home, that means you have to pay for your own power, your own water and your own fuel. So there is a lot of issues here that are not calculated into the costs. As I have said in this House before, the costs in the community I represent have gone up extremely high in the last year especially. So I would like to know and I will be asking the Minister responsible on the reasoning for Inuvik being in zone one where there are many communities that have a lower cost of living, have shorter winter seasons and I believe a lower total overall cost of living. So at the proper time I will be asking questions to the appropriate Minister. Thank you.

**MR. SPEAKER:**

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

Member's Statement 151-13(5): Rae-Edzo Municipal Funding Inequities

**MR. RABESCA:**

Thank you, Mr. Speaker. Mr. Speaker, today I rise in this House asking myself what does it take? What does it take to get the Department of MACA to realize there is a serious problem with funding in the community of Rae-Edzo. As my colleagues may recall, last week I gave an example of the funding problems Rae-Edzo is having. Also myself and my colleague, Mr. Ootes, asked the Minister responsible for MACA regarding this and were told the department staff were coming up with a solution. Today, Mr. Speaker, I was told that the solution is that there is no problem. To that I would like to give two more examples.

Firstly, I would like to compare the community of Fort Providence in regard to the culverts funded under the hamlet funding formula. Fort Providence, a very nice community only a two and a half hour drive from my home, with a population of 674 receives \$56,364 per year for culverts and streetlights. While in Rae-Edzo, a population of 1,615 receives from the same department \$30,084. This seems a little strange.

The reason for this difference is because Rae-Edzo has very few culverts. The reason Rae-Edzo has so few culverts is because Rae-Edzo does not have proper roads and streets, with the number of culverts that we have, being 4 inch to 8 inch pipe, not real culverts. Our roads are not roads, we have something close to being called trails.

Every spring the hamlet staff of four works very hard to ensure spring run off drains properly. However, because we do not have the proper drainage, the staff works two or three weeks pumping water across the trails and digging drainage ditches in these very trails we drive on to ensure some form of drainage occurs. This is not a new problem, it has been this way since the hamlet was incorporated back in 1971.

My second example is the dump trucks the hamlet has. The only funded dump truck is the standard government issue with a box that holds approximately two to three yards. The hamlet also has a 1980 vintage surplus US Army DEW Line dump truck. This truck was purchased by the hamlet with the blessing and encouragement of MACA and is not a funded vehicle. This same truck has now cost the hamlet \$25,000 in repairs to date and is still not in proper running order.

Mr. Speaker, I ask that I have unanimous consent to complete my Member's statement, please.

**MR. SPEAKER:**

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

**MR. RABESCA:**

Thank you, Mr. Speaker. Mr. Speaker, I ask you, does this seem fair and equitable? It is my hope that this will finally show the Minister there is a serious problem in Rae-Edzo and that she will come up with a fair and equitable solution in the future. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

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

Member's Statement 152-13(3): Tribute to Apprentices and Tradesmen

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. As this week is Apprenticeship Week, I would like to rise to pay tribute to apprentices and of course, tradesmen. This is a week that has some special, personal significance for me. I have had the privilege for the last two and a half years, basically since we have been elected, of sitting next to my honourable colleague from Inuvik, who is a journeyman mechanic, a wrench-puller extraordinaire, from Inuvik and an all around swell guy as my Minister of Finance notes. I, as well, have the honour of being a journeyman carpenter, Mr. Speaker.

Clearly, tradesmen can be anything they want. Mr. Speaker, very clearly as a society we would be lost without tradesmen and apprentices. They build things, they fix things and they keep us going. Being an apprentice or tradesman is good work. It is valuable work and it is honourable work. In our territory, soon to be two territories, those kinds of skills are now needed more than ever. They have my full congratulations. They are a fine bunch of guys and women. Thank you.

--Applause

**MR. SPEAKER:**

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

Member's Statement 153-13(5): Broughton Island Breakwater Project

**MR. ENUARAQ:**

Thank you, Mr. Speaker and good afternoon. Mr. Speaker, the breakwater is important to the economy of Broughton Island. Mr. Speaker, the breakwater was set up to reduce the force of the waves and to provide a sheltered place for the community to dock their boats, but there is not enough space to safely dock all the boats at the existing breakwater. An extension of the current breakwater is needed.

Page 538

The extension is part of a long-term plan to improve the fishing industry in Broughton Island. Fishing is an important part of the local economy. As in other remote northern communities, employment opportunities are hard to find. The local fishing industry in Broughton Island provides seasonal income to many people. Many people in the

community may not have a source of earned income otherwise.

The first phase was to build the existing breakwater and this has been done. The extension is the second and final part of the breakwater project. It is time for the Department of Transportation to finish what they started, Mr. Speaker. The people of Broughton Island and I look forward to the prompt completion of the breakwater. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Ootes.

Member's Statement 154-13(5): Health Care Regionalization Concerns

**MR. OOTES:**

Thank you, Mr. Speaker. Last night I had an opportunity, along with my fellow MLAs, to attend a presentation and discussion with four doctors as representatives of the NWT Medical Association on the issue of regionalization of health care in the north.

The doctors presented a written brief followed by a two and a half hour discussion. As was pointed out, there are advantages to regionalization but there are also tremendous disadvantages like fragmentation of fiscal and human resources and discrepancies in access to health care. The strong message last night was the NWT Medical Association has become increasingly concerned with the changes being made in the delivery of health care by the regional boards and the potential for destabilizing of the health care system.

Dr. David Butcher, president, said the most important resource of the system are the people working in it. It was stated that it has been the health care workers who have kept the system going. The health care workers are not being adequately supported in many cases by the boards.

Dr. Butcher spoke about the fact that economics is driving the system. He stressed the most important point was the quality of health care. He said there must be territory-wide standards and the need for leadership by the department in this area. Otherwise each health board goes in its own direction. He made reference to breast cancer as an example. Now each board sets standards and chooses what services to deliver, how to deliver it and who can do what in a

region. He suggested what we needed to do is to ensure a plan is in place for appropriate training in clinics and hospitals with adequate supply of staff. All institutions should be credentialized. Following that, all individuals should be credentialized.

Dr. Butcher said we are placing undue expectations on boards. They do not have a governance process in place. They do not have the critical mass of well-trained people. It was not the message of confidence in our system, Mr. Speaker. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Steen.

Member's Statement 155-13(5): Communication Shortfalls

**MR. STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, today I rise to address the shortfalls in the government's communication strategy. Mr. Speaker, this government has spent millions in improving the communication strategy with this territory, including the use of satellite communication systems. Mr. Speaker, I had the opportunity to use some of this communication system such as the fax machine. I find it takes about a minute to fax a letter from the community of Tuktoyaktuk to Yellowknife. However, I faxed this letter to the Honourable Kelvin Ng, it was a Young Offenders Act issue. I faxed the letter on the 14th of November and on the 26th of November he still was not aware of having received a letter. He finally responded on December 5th. I faxed the letter on November 14th to the Honourable Charles Dent on education issues. He had not yet received the letter on November 27th, but he responded on December 5th. November 19th I faxed a letter to the regional superintendent of Transportation regarding driver's exams. I took the trouble of copying the Minister to speed up the response. It obviously was a mistake on my part because I never got a response until February 2nd. On January 27th, I hand delivered a letter to Mr. Ng's desk. I still have not received a response. On January 27th, we hand delivered a letter to Mr. Arlooktoo. We received a response today. Thank you.

--Applause

Mr. Speaker, obviously we have addressed the problem of getting the letter in one minute from Tuk to

Yellowknife. The communication problem seems to be from the fax machine to the Minister's desk. Perhaps I will ask the Honourable Premier if he might be able to speed up this response so all Member's could benefit. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mrs. Groenewegen.

Member's Statement 156-13(5): Lahm Ridge Tower Lease

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Today I would like to thank the Honourable Premier for his statement. Mr. Speaker, I would like to respond to the Premier's statement. The speculation and innuendoes that are being repeated are being repeated in far more places than in this building and in the press. I am sorry if this innuendo is damaging to anyone's reputation because it should not be. Mr. Speaker, I did not create this situation that is being spoken out and questioned. I am merely trying to ask questions to clear up the perception that was out there, long before I started asking questions in this House.

Page 539

Mr. Speaker, I have an obligation to raise the concerns and questions of my constituents in this House. I have tried to capture these concerns in my questions which I believe have been fair questions. The Premier states, "and it is untrue". What is untrue, Mr. Speaker? All of the events that have been questioned are real events. We have only been seeking details and further information. Maybe the lease extension was a good deal. We can still ask about it, can we not? It would be damaging to our reputation as elected officials if we did not respond to the concerns of our constituents. Finally, Mr. Speaker, I want to ensure you that the Member from Hay River lacks no guts and in spite of being called to the Premier's office, with the assistant deputy minister as the Premier's witness. The Premier outlined that he would take appropriate action if I crossed the lines of impropriety in my search for answers. I still, Mr. Speaker, adhere to my fundamental right to ask respectful questions in this House and I will continue to do so.

--Applause

I also would like to inform the Premier that I have no intention of filing a conflict of interest complaint against anyone at this time. Thank you, Speaker.

--Applause

**MR. SPEAKER:**

Thank you, Mrs. Groenewegen. Members' statements. Mr. Picco.

Member's Statement 157-13(5): Health Care Regionalization Concerns

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, last night, like Mr. Ootes said, I attended the briefing presented by the NWT Medical Association. Mr. Speaker, the president of the association, Dr. David Butcher, Dr. Jim Corkal, Dr. Angela Carruthers and Dr. John Shillington presented on behalf of the medical association.

The wide-ranging, free-wheeling discussion was, I believe, informative and opportune for the Members. The recurring theme throughout the meeting was what is happening with health care, recruitment, retention of staff and the medical services direction of the government. Mr. Speaker, we are politicians. We are not medical professionals. I think everyone in this House realizes there are concerns in the area of health. As noted by the NWTMA, the advantages to the regionalization of services are increased responsiveness to local needs, local input into program development and local responsibility for the use of health care resources. The disadvantages of the regionalization process are the fragmentation of existing physical and human resources and disparities and access to health care. Currently the regionalization process has created a fear of loss of the quality of health care and a loss of public confidence in the health care system in general. Mr. Speaker, later today, I will be questioning the Minister on some of these areas. Thank you.

--Applause

**MR. SPEAKER:**

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

Member's Statement 158-13(5): Status as a Nunavut Land Claim Beneficiary

**MR. BARNABAS:**

(Translation) Thank you, Mr. Speaker. I will be speaking in Inuktitut. Mr. Speaker, as an aboriginal person I stand today in this House to state that I have been asking questions about NTI to find out what is happening with the process that they are doing. They have responded to me that those questions I have been asking are directed to the people who are aboriginal people and just for those that are entitled under Nunavut. However, I would like to state that I am an aboriginal person who is entitled to their land claims. I know my name is English, Barnabas, but I am an Inuk. I would like to state to NTI that I am a beneficiary. There should be an inquiry into them telling me that I am not a beneficiary. I would like to say to Josie Kusugak that I am also a beneficiary and for him to look in the list of beneficiaries. He will find my name there. Thank you. (Translation ends)

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Erasmus.

Member's Statement 159-13(5): Health Care Regionalization Concerns

**MR. ERASMUS:**

Thank you, Mr. Speaker. I too, rise today to speak about the health care system in the NWT. Mr. Speaker, I have been watching the Keewatin health issue for awhile now, listening and reading things. I had thought that it was a regional issue, but I now realize this could affect other areas as well, specifically this could happen in the west. I have read most of a report from the Nurses Association on attracting personnel to the NWT. I also attended a meeting with the NWT Medical Association last night. Mr. Speaker, these meetings confirmed my suspicions that perhaps things like this could happen in the west. The last thing we need or want is a general loss of confidence in the health system. Mr. Speaker, looking at that report from the nurses, it asked how can you attract people to the north and what is making people want to leave. What they had mentioned is exactly what we have taken away from them, lack of housing, lack of VTAs to travel back home, low wages because southern wages are comparable in some places, also lack of community support.

Mr. Speaker, the medical association indicated, as has been mentioned before, that our facilities and staff need to be certified so people know they have consistent medical services wherever they go. They also feel there should be core programs that are prioritized centrally, as well as some territorial-wide programs and standards that are set by a central agency which, of course, the boards could help set up and agree to. Perhaps their biggest message, Mr. Speaker, was that changes to the medical services that we provide should be to improve quality of programs and not to save money. Mr. Speaker, I urge this government to use the

Page 540

Keewatin situation as a wake up call and make changes now that are needed. Mr. Speaker, I reiterate, we cannot afford for the general public to lose confidence in our health system. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Henry.

Member's Statement 160-13(5): Tribute to City of Yellowknife Administrator Doug Lagore

**MR. HENRY:**

Thank you, Mr. Speaker. Mr. Speaker, over the last couple of years I have witnessed Members in this House stand and talk about some of the elders or statesmen in their communities, and they have had one thing in common. They had all passed away. I find that a little disappointing when the bouquets that are meant to go to people are not around to receive them.

I would like to change that. I would like to speak about someone who is very much alive in our community. That individual is the chief administrator for the City of Yellowknife, Doug Lagore, who came to Yellowknife in 1987 and has been the administrator ever since. I know Mr. Todd would probably take note when I mention that Mr. Lagore initiated pay equity in the City of Yellowknife in the early 1990s. He built a strong team through a difficult time. There was a strike when he arrived, and so he built a very strong team of management and an excellent working relationship with the union. Organizations that this individual is involved with; he is director of the Canadian Association of Municipal Administrators; he is on various committees of international city managers; he



is the founding member of the Association of Municipal Administrators of the NWT; he is chairman of the Employee Benefits Program; he is also the secretary treasurer of the Arctic Winter Games Association and is vice-president of the Arctic Winter Games.

--Applause

**MR. SPEAKER:**

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

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

**MR. HENRY:**

Thank you, Mr. Speaker. It gives me great pleasure to introduce the mayor of Yellowknife, Mr. Lovell and with him, the gentleman who I just spoke about, Mr. Doug Lagore, the city administrator.

--Applause

**MR. SPEAKER:**

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

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. On behalf of the three MLAs in the Keewatin region, I would like to recognize the mayors from the Keewatin, Steve Mapsalak, mayor of Repulse Bay; Louis Pilakapsi, deputy mayor of Rankin Inlet; Peter Kritaqliluk, mayor of Arviat and vice-president of NWT Eastern Caucus; and Anthyme Kadjuk from my riding, mayor of Chesterfield Inlet.

--Applause

**MR. SPEAKER:**

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

**HON. GOO ARLOOKTOO:**

Thank you, Mr. Speaker. I am pleased to introduce three important members of my staff from the Housing Corporation, Hunter Tootoo, Peter Scott, our managers from the Baffin region district office of the Housing Corporation. Sarah Flynn is the district director of the Keewatin. They are here today.

--Applause

**MR. SPEAKER:**

Welcome to the Assembly. Recognition of visitors in the gallery. Mrs. Groenewegen.

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. It is a privilege today to recognize in the gallery the deputy mayor of Hay River, Dean McMeekin and long time town councillor and educator from our community, Mr. Ray Young. Welcome to the gallery.

--Applause

**MR. SPEAKER:**

Welcome to the Assembly. Continue.

**MRS. GROENEWEGEN:**

Mr. Speaker, I also wanted to recognize a former constituent from Hay River, a former resident of Hay River, Mr. Mike Mrdjenovich but he has left. Thank you.

--Applause

**MR. SPEAKER:**

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

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Although the honourable Member for Aivilik stole my thunder, I also would like to recognize and introduce my good friend and the fine mayor of Arviat, mayor Peter Kritaqliluk. Thank you.

--Applause

Page 541

**MR. SPEAKER:**

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

**HON. STEPHEN KAKFWI:**

Mr Speaker, I seek unanimous consent to go back to Ministers' Statements. Thank you.

**MR. SPEAKER:**

Thank you. The Member for Sahtu is seeking unanimous consent to go back to Ministers' statements. Do we have any nays? Mr. Kakfwi, you have unanimous consent.

**REVERT TO ITEM 2: MINISTERS' STATEMENTS**

Minister's Statement 42-13(5): Trip to London and Antwerp

**HON. STEPHEN KAKFWI:**

Thank you. Mr. Speaker, this is a month late, but it is essential to make sure we all report and become accountable. This is in regard to my trip in January to London and Antwerp. I recently lead a small delegation to London and Antwerp to meet with diamentaires who may play a significant role in the development of the diamond industry in the Northwest Territories and Canada. The diamentaires included companies and consultants from BHP Diamonds and Dia Met, Diavik, and Aber Resources, the Central Selling Organization and De Beers, and potential government diamond valuator.

The NWT and Canada are becoming players in the diamond world, and the NWT is seen by many as playing a key role in this unique global industry. It is important for the Government of the Northwest Territories to obtain opinions and information directly from those in the industry, rather than through the filter of the federal government in Ottawa. While we obtained a variety of perspectives and opinions, we feel we were also able to confirm our position on a number of issues.

Mr. Speaker, one of the things we have learned is that the valuation of rough diamonds is not a science. Rather, it is subjective because government valuation involves a degree of negotiation, supported by diamond experience, skill and knowledge. This is a new Canadian industry, Mr. Speaker, and it is imperative that if we err, we err on the side of caution. I am now even more convinced that a full and detailed sorting facility is required off of the mine site in a NWT community.

We also learned that sorting for market is an essential step, usually undertaken by the producer, in the process of selling diamonds. The level or detail of sorting for market depends on how and to whom the diamonds are sold. If diamonds are to be sold in the Northwest Territories, the amount of sorting for

market will be done here and it will depend on how the diamonds are being sold. It must be recognized that the decision on how to sell the diamonds rests with the producer.

--Applause

In addition, trained workers, a favourable regulatory and tax environment and capital financing were all mentioned by existing diamond manufacturers as factors that must be examined.

We must also recognize that to develop a viable northern diamond manufacturing industry will take time and dedication. We need to develop the skills, the knowledge and the technology to compete with diamond manufacturing centres around the world. We must develop the proper environment to attract existing diamond manufacturers, and we must provide the necessary support to northerners who wish to enter into the diamond business.

--Applause

This trip to London and Antwerp gave our NWT delegation an opportunity to directly discuss our concerns and aspirations in detail with diamond valuator, dealers and manufacturers. The trip also allowed us to meet with individuals whose advice and input has been used by the federal government in the development of their positions and policies.

--Applause

**MR. SPEAKER:**

Thank you, Mr. Kakfwi. Ministers' statements. Item 6, oral questions. Mr. Krutko.

**ITEM 6: ORAL QUESTIONS**

Question 197-13(5): Discussions for Purchases of Government Buildings

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question is to the Minister of Public Works. Given the recent discussions in this House on the matter of the Lahm Ridge Tower, I would like to ask the Minister if there are any new developments in the discussions between the Denendeh Development Corporation and the Minister's department on the DDC's initiative to purchase the Laing Building and the Stuart Hodgson Building?

**MR. SPEAKER:**

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

Return To Question 197-13(5): Discussions for Purchases of Government Buildings

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the Yellowknife office space realization is a plan on how to deal with that has been approved by Cabinet recently in the last couple of weeks. We are in the process of developing a plan of action and how to proceed with it. Part of the plan is to look at the existing assets this government has. The decision has been to see if the possibility of selling off the Laing

Page 542

Building is there. The Stuart Hodgson Building is not for sale, plus a couple of other properties. The Tapwe Building and some renewable resources property are going to be considered for sale. In regard to discussions with the Denendeh Development Corporation, apparently there have been some preliminary discussions in the past. There have been no decisions by this government until the last couple of weeks to go ahead with the office plan decision. Only a couple of weeks ago the decision was made that we are going to be selling some of these assets off and we are formulating a plan on how to do it. I think there is an aboriginal content in that as well. Specifically, the Denendeh Development Corporation proposal, I feel, is in the preliminary discussion stages in the last year or so. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 197-13(5): Discussions for Purchases of Government Buildings

**MR. KRUTKO:**

Thank you, Mr. Speaker. In light of the Lahm Ridge Tower deal which took a matter of days to come up with that arrangement, the Denendeh Development Corporation, in conjunction with the Gwich'in Development Corporation, have been spending years approaching this government, the Department of Public Works, to look at the possibility of acquiring

real estate in Yellowknife. They have been talking, putting proposals...

**MR. SPEAKER:**

Ask your supplementary question, please.

**MR. KRUTKO:**

Thank you, Mr. Speaker. In regard to my supplementary question, can the Minister tell me, in light of the Denendeh Development Corporation's ongoing discussions it has with this government, which has been going on for over a year along with the Gwich'in Development Corporation, when does he feel these discussions will be concluded so they will know exactly what the arrangements are so they can go forth in regard to coming up with the financial arrangements to acquire these assets?

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 197-13(5): Discussions for Purchases of Government Buildings

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, I had a meeting with the representative of the Denendeh Development Corporation two days ago. We explained to them the decision of the Cabinet to go ahead and sell the Laing Building. I think that is the building they are interested in, as well as the Stuart Hodgson Building. Again, the decision in Cabinet is that we are not going to sell the Stuart Hodgson Building and only the Laing Building. They told me they have been working on it for a number of years. They have met with members of Public Works and Services just looking at preliminary discussions. At that time, there was no decision made to sell these assets. The decision to sell the assets was finally realized about two weeks ago, and we are working on a process now to go through a public process. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 197-13(5): Discussions for Purchases of Government Buildings

**MR. KRUTKO:**

Thank you, Mr. Speaker. In regard to the time it has taken to date, I would like to ask the Minister, why has this arrangement taken years? Yet, in regard to the Lahm Ridge Tower, it was just a matter of months? Why is there such a discretion between an aboriginal organization coming forth to this government versus a contractor, such as in the case of the Lahm Ridge Tower?

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 197-13(5): Discussions for Purchases of Government Buildings

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. The honourable Member is asking me questions about aboriginal corporations and development corporations acquiring assets from this government. He is also equating it to the Lahm Ridge Tower deal. The Lahm Ridge Tower is a privately owned company that sold to another privately owned company. It has never been a government asset. It is a deal between two private businesses. In that case, it is a question that is difficult to answer. In that regard, it has never been the government's property. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 197-13(5): Discussions for Purchases of Government Buildings

**MR. KRUTKO:**

Thank you, Mr. Speaker. Will the aboriginal organizations have the same opportunity to acquire long-term leases such as in the case of the Lahm Ridge Tower, where it was a ten-year lease extension? Will they have the same opportunity in acquiring these government assets?

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 197-13(5): Discussions for Purchases of Government Buildings

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the properties this government had decided to sell is going to favour an aboriginal component to it. If that is done through a public process, then the opportunity will be there in the market. It will be dealt with like every other company that owns buildings in this capital to lease space to this government. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Picco.

Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, on the Lahm Ridge Tower deal, we have been hearing a lot of

Page 543

questions on it. I guess it started the beginning of October. I would like to try to end it right now. I would like to ask the Minister for DPW would he table in this House a copy of the Lahm Ridge Tower lease with the pertinent financial information that is not needed by the Members of this House, black that out, give it to us, table it in the House? We can compare it to the lease that was tabled last week and then end all speculation there and then. Thank you, Mr. Speaker.

**SOME HON. MEMBERS:**

Hear! Hear!

**MR. SPEAKER:**

The Minister of Public Works and Services, Mr. Antoine.

Return To Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the deputy minister is seeking a legal opinion and seeking permission from the owners to say if that is possible. We will let this House know once that is done. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, it comes as a bit of a surprise that Justice is looking at doing this. I am very pleased that they are. I wonder if the Minister could give us any idea when Justice would know and when that could be done? I would like to have a commitment so we could end it now, as soon as possible. Thank you.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

The deputy minister is looking into it now and as soon as it is possible we will get it done. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, can the Minister then commit to having that tabled in the House before the end of this session, before the end of February? Thank you.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 198-13(5): Tabling of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, subject to approval and the right approval, we will do that. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Roland.

Question 199-13(5): Seniors' Fuel Subsidy Zones

**MR. ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, my question at this time will be directed to the Minister responsible for Education, Culture and Employment where the seniors' fuel subsidy is delivered through. Although it has almost been a year, Mr. Speaker, the issue has once again come up for the simple reason that it is this time of the year where the burners and furnaces are going fairly regularly. I would like to know from the Minister, why is Inuvik in the zone that it is categorized in zone one? Thank you.

**MR. SPEAKER:**

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

Return To Question 199-13(5): Seniors' Fuel Subsidy Zones

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. This hot topic has come back, as the Member says, almost a year later. I thought it had been put to bed. Mr. Speaker, the program has been indexed across the territories by following the food-basket rates under the Income Support Program. Communities in zones one, two and three are classified in one zone. Zones four, five, and six of the food-basket allowance are grouped in another zone for the fossil fuel subsidy. The last four zones are then grouped in the third. I would assume that if Inuvik is in the first zone for the fossil fuel subsidy, that its food-basket rates must be in one of the first three zones for income support. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Supplementary To Question 199-13(5): Seniors' Fuel Subsidy Zones

**MR. ROLAND:**

Thank you, Mr. Speaker. The only thing that might be put to bed is maybe the seniors with extra blankets.

**SOME HON. MEMBERS:**

Hear! Hear!

--Applause

**MR. ROLAND:**

Mr. Speaker, what makes up the food basket? What is included in that, that would categorize the communities as they are? Thank you.

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 199-13(5): Seniors' Fuel Subsidy Zones

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, the food basket is a figure that has been set up to determine what the cost of food is likely to be in a community.

Page 544

This was set a number of years ago. There is currently a process underway whereby the Bureau of Statistics and my department are cooperating on a community-by-community review of the food basket rates to ensure they reflect the true costs. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Supplementary To Question 199-13(5): Seniors' Fuel Subsidy Zones

**MR. ROLAND:**

Thank you, Mr. Speaker. Can the Minister inform us as to when this review will be completed?

**MR. SPEAKER:**

Mr. Dent.

Further Return To Question 199-13(5): Seniors' Fuel Subsidy Zones

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. I expect the review will be completed by the end of March.

**MR. SPEAKER:**

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

Supplementary To Question 199-13(5): Seniors' Fuel Subsidy Zones

**MR. ROLAND:**

Thank you, Mr. Speaker. Hopefully, at the end of the review, it will state that Inuvik needs to be moved to a different zone. I have actually written a letter to the Minister and I would like to know if he would look at putting Inuvik in a different zone which is more in the area of the cost of living associated with being in the community of Inuvik. Thank you.

**MR. SPEAKER:**

Thank you. Mr. Dent.

Return To Question 199-13(5): Seniors' Fuel Subsidy Zones

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, if the survey demonstrates that Inuvik should be in a different zone for the food basket in the process of adjusting the food basket rates for all communities, then we will certainly look at doing the same for the zones for the fuel subsidy. Perhaps then, we can finally put this issue to bed assured that seniors enjoy an adequate subsidy. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Rabesca.

Question 200-13(5): Fur Shipped Through Canada Post

**MR. RABESCA:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to address my question to the honourable Minister of Resources, Wildlife and Economic Development, Mr. Kakfwi. It is my understanding on January of this year your department was informed that Canada Post would not be shipping our trappers' fur to the market. Would the Minister please tell us if this in fact is true? Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Minister of Resources, Wildlife and Economic Development, Mr. Kakfwi.

Return To Question 200-13(5): Fur Shipped Through Canada Post

**HON. STEPHEN KAKFWI:**

Mr. Speaker, this was a rumour that some of our officials had picked up as well, along with some of the trappers and people who are involved in the fur industry. There was some information sent out that Canada Post would no longer be shipping fur through the mail. We contacted Canada Post immediately to see if that information could be verified. There was apparently a misunderstanding at Canada Post of information that was received. They were led to believe that they were to stop shipping fur. We have since then clarified the understanding with Canada Post and all this to say that fur will continue to be shipped through the mail and accepted by Canada Post. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Rabesca.

Supplementary To Question 200-13(5): Fur Shipped Through Canada Post

**MR. RABESCA:**

A further question. I would like to get more information as to what has been done to ensure that this kind of thing which affects our trappers in the future or this government?

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 200-13(5): Fur Shipped Through Canada Post

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. I think there was a misunderstanding at Canada Post of conditions for shipping. It was an internal misunderstanding. Canada Post has put out posters, somewhat like the one I am holding here, which is a Xerox copy that says in varying letters, all postal facilities, Canada Post does ship fur. On the info poster publication dated January, 1998, page four, it is stated that furs cannot be shipped by Canada Post that this headline and article are incorrect. In actual fact, T&T Express Worldwide has been experiencing customs related difficulties with this commodity. They have decided this commodity will no longer be accepted for

shipment via the sky tax service. This applies to all countries. However, you have customers who wish to ship furs by Canada Post air and surface parcel service. Proper customs declarations must be enclosed, since the governing regulations are country specific. Please refer to the postal guide part two. Please ensure that your postal outlet staff are aware of this correction. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Enuaraq.

Question 201-13(5): Completion of Breakwater Project in Broughton Island

**MR. ENUARAQ:**

(Translation) Thank you, Mr. Speaker. I will be speaking Inuktitut. As I stated earlier during my Member's statement regarding the wharf in Broughton Island, I would

Page 545

like to ask the Minister responsible for Transportation as to when this wharf will be completed. Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Minister of Transportation, Mr. Antoine.

Return To Question 201-13(5): Completion of Breakwater Project in Broughton Island

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the honourable Member is asking me about the breakwater system in the constituency of Broughton Island. Mr. Speaker, from 1991-1992 and ending in 1995-96, the Department of Transportation worked along with the municipality of Broughton Island and completed a breakwater system. We spent about \$650,000 on that whole project. We also provided a floating dock for the community. At that time there were a lot of questions raised by the municipality if perhaps we should develop this breakwater into a much bigger project which would accommodate larger ships. The price on that is undetermined but it is quite a substantial amount. We have not really put into our plans at this time to expand the work that we have completed recently. However, the regional superintendent of transportation, Methusalah Kunuk from Iqaluit is responsible for that area through our

department. We do have some operation and maintenance funding to maintain the existing structure from any slumping or damage, just to do some overall recapping on this community. This is the extent of the work we have done in the community. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Ootes.

Question 202-13(5): Release of Lahm Ridge Tower Lease

**MR. OOTES:**

Thank you, Mr. Speaker. I have some questions about the Lahm Ridge Tower. It has taken a tremendous amount of time and excruciating prying to get answers on this, Mr. Speaker. I think the Members are merely trying to raise questions. They have a concern about the dollars that are being spent in this situation and the people out there are pressuring Members to ask questions. If there is some concern and if there is paranoia developing, I am sorry. My question, Mr. Speaker, is on the question of checking the legal situation whether it is legal to release this lease. Is it not true that these are public dollars? Public dollars, Mr. Speaker. I would like to ask the Minister when did they start checking as to whether this was legal to release the lease? Thank you.

**MR. SPEAKER:**

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

Return To Question 202-13(5): Release of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, we have an Access to Information Act that clearly lays out the requirements to make these types of documents public. I think it is subject to approval by the owners of the company. I think we have to respect that. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 202-13(5): Release of Lahm Ridge Tower Lease

**MR. OOTES:**

Thank you, Mr. Speaker. The Minister did not answer my question. When did they start looking at it to see if this could be released legally? Thank you.

**MR. SPEAKER:**

Thank you. Mr. Antoine.

Further Return To Question 202-13(5): Release of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the deputy minister informed me, perhaps he had started earlier, but yesterday he informed me that he had already started at looking at the possibilities of blanking out certain areas that may not be required on this lease. He is seeking the owners of the Lahm Ridge Tower to see whether these documents could be released. Again, it is subject to their approval, I believe. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 202-13(5): Release of Lahm Ridge Tower Lease

**MR. OOTES:**

Thank you, Mr. Speaker. I suspect this type of question has probably risen before in the Government of the NWT. Could the Minister tell us if they checked back to see if there is a precedent for this? Thank you.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 202-13(5): Release of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, I do not know that. Again, the intention is to seek the owners, and our intention is that if it is approved then we will table it in this House. Thank you.

**MR. SPEAKER:**



Oral questions. Final supplementary, Mr. Ootes.

Supplementary To Question 202-13(5): Release of Lahm Ridge Tower Lease

**MR. OOTES:**

Thank you, Mr. Speaker. Could the Minister indicate when that could be settled? It does not seem like a complicated issue. Thank you.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 202-13(5): Release of Lahm Ridge Tower Lease

**HON. JIM ANTOINE:**

Thank you. Again, Mr. Speaker, subject to the approval, we will table it as soon as we can to settle this matter. Thank you.

Page 546

**MR. SPEAKER:**

Again, just to remind the Members, regarding questions that have already been asked in one session. It has already been asked today. I ask Members to pay attention so you do not have to ask the same questions again. Oral questions. Mr. Steen.

Question 203-13(5): Timely Responses from Ministers

**MR. STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is in relation to my Member's statement. I do not wish to expand on this, other than to say some of these issues that we write about, as Members to the Ministers, are quite important and with a fair sense of urgency sometimes. I wonder if the Premier could perhaps discuss it with his colleagues, Cabinet and perhaps find a way to shorten the response time to the Members? Thank you.

**MR. SPEAKER:**

Mr. Premier.

Return To Question 203-13(5): Timely Responses from Ministers

**HON. DON MORIN:**

Thank you, Mr. Speaker. Ministers of the government receive hundreds of letters a week. Members' letters do take priority over other letters. Sometimes Ministers are unable to answer as quickly as they would like to, for the simple reason in some cases, the assignment books have piled up on your desk for ten days at a time, if you are off travelling. I will be writing to all of the Ministers to try to assure that Members' requests get answered in a prompt and quick way. Myself, I try to respond within ten days and at least acknowledge the letter. Sometimes we are unable to meet that time schedule as well. I will be writing Ministers and raising the concern the Member raised and we will try to respond as quickly as possibly. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 203-13(5): Timely Responses from Ministers

**MR. STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, I thank the Premier for that response. I wonder if perhaps the Minister could pass this on further down the line to the bureaucrats because I do not believe it is appropriate to write to a superintendent of transportation, for instance, while almost three months later we receive a response that he did get the letter. Perhaps just a response confirming that they have the letter would assure it is being looked into. Thank you.

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 203-13(5): Timely Responses from Ministers

**HON. DON MORIN:**

Thank you. Mr. Speaker, that must have been an oversight. I will request Ministers in writing. They respond to the public in general as well as Members of the Legislative Assembly as soon as possible. We will try to get a turnaround in our correspondence, speeded up. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mrs. Groenewegen.

Question 204-13(5): Sale and Lease Arrangements of Lahm Ridge Tower

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. My question today, Mr. Speaker, is for the Minister of Public Works and Services. Mr. Speaker, on Monday I asked the Minister if one of the conditions of extending the leases was the sale of the property to the company owned by Mr. Mrdjenovich and Mr. Bailey. The Minister's response, I do not know, Mr. Speaker, and then the Minister reiterated, the written conditions of the extension relating to renovations, mechanical upgrades, et cetera. I would like an answer to the question, Mr. Speaker. Was the agreement by the department to the lease extension conditional upon the sale to the new owners being concluded? Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Minister of Public Works and Services, Mr. Antoine.

Return To Question 204-13(5): Sale and Lease Arrangements of Lahm Ridge Tower

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to take this question as notice. I will get back to her. Thank you.

**MR. SPEAKER:**

Thank you. The question is taken as notice. Oral questions. Mr. Erasmus.

Question 205-13(5): Certification of NWT Hospitals

**MR. ERASMUS:**

Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services, in the area of consistent medical care, which the medical association yesterday was so concerned about. One of the methods which is nationally used to ensure consistent medical care is credentialling, whereby facilities are certified by a national agency. Could the Minister indicate whether all our hospitals are certified?

**MR. SPEAKER:**

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

Return To Question 205-13(5): Certification of NWT Hospitals

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I believe the Member is referring to accreditation. To my understanding, all hospitals in the Northwest Territories are accredited by the national agency that does that. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 205-13(5): Certification of NWT Hospitals

Page 547

**MR. ERASMUS:**

Could the Minister indicate whether the nursing stations are also all accredited?

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 205-13(5): Certification of NWT Hospitals

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I do not believe they are. Accreditation of community health care facilities has only been a recent thing with the accreditation agency as a result of over the past few years those facilities being changed in other jurisdictions, in respect to them being the primary health care facility within communities as a result of some of the reforms other jurisdictions have undergone. It has only been, I believe, about the last two or three years that the accreditation of community health care facilities has started to take place across the country, Mr. Speaker. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 205-13(5): Certification of NWT Hospitals

**MR. ERASMUS:**

Thank you, Mr. Speaker. I understand there is only one nursing station in the Northwest Territories which is accredited. What is the Department doing to achieve general accreditation across the Northwest Territories for our nursing stations?

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 205-13(5): Certification of NWT Hospitals

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, it is our intent over the long term, of course, to try to meet some of those accreditation guidelines as they progress. I think, what is more important right now is to try to develop some consistencies in some of the services that are able to be provided through our facilities and, of course, with that, beefing up the human resources aspect to be able to provide those services. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 205-13(5): Certification of NWT Hospitals

**MR. ERASMUS:**

Mr. Speaker, since the Minister indicated consistency in medical services, what is the department doing to ensure consistent medical services in the regions? I am speaking specifically about certified people for certain positions.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 205-13(5): Certification of NWT Hospitals

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, we continue to work towards finalization of our MOUs with the health boards, the service delivery providers in the regions, to define clearly, what expectations are and how they

go about delivering those services in their regions. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Ningark.

Question 206-13(5): Community Access Roads and Bridges

**MR. NINGARK:**

Thank you, Mr. Speaker. Mr. Speaker, my question is directed to the honourable Minister responsible for Transportation. Mr. Speaker, as the honourable Minister knows, we are endeavouring to build an access road in hunting, fishing, recreation, and tourism areas. I believe those different things are important to the community's economy and for commercial and domestic use as well. Mr. Speaker, we have been building a community access road for about three years now, little by little. I believe the annual funding is about in the area of \$10,000. We do have one problem in the community of Pelly Bay, which is we do not have the technology nor material to build a bridge. I believe the Canadian Armed Forces, through their exercises in communities across the territories, and there are times when rangers are required to do a search and rescue, I believe the Armed Forces have the technology. I believe they have the materials for building a bridge in a matter of hours. I wonder if the honourable Minister could endeavour to communicate with the Armed Forces, if such an endeavour could be shared by two entities like government and the Armed Forces, working together to build a bridge in the community, which I believe would not be as expensive as conventional types of bridges? Thank you.

**MR. SPEAKER:**

The Minister of Transportation, Mr. Antoine.

Return To Question 206-13(5): Community Access Roads and Bridges

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, I will do that. I will contact the Armed Forces in this matter. Just recalling about two years ago, they did have a briefing with the Armed Forces where there was a kind of an idea floated by us by the Armed Forces that they do have these types of programs in place. If I recall correctly, they would provide the manpower but we had to provide the financial resources to do that. I

agree with that type of approach, if it is there, and I will endeavour to do that. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mrs. Groenewegen.

Question 207-13(5): Time of Lahm Ridge Lease Signing

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Public Works and Services, relevant to the public documents associated with the Lahm Ridge Tower sale and lease extension.

Page 548

Mr. Speaker, the transfer of the land to the new company took place at 14:51 hours on September 29th. The mortgage in the amount of \$4.2 million loaned by the mortgager, Pacific and Western Trust Company was registered at 14:52 hours on September 29th. The agreement, the assignment of rents including the new leases to the new company at 14:53 hours on September 29th.

Mr. Speaker, I would like to ask the Minister if he could provide to the House the time of the signing of the lease extension, which also took place on September 29th? Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Minister of Public Works and Services, Mr. Antoine.

Return To Question 207-13(5): Time of Lahm Ridge Lease Signing

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker there was some time in there where we were aware that upon the signing of the agreement with the Lahm Ridge Tower owners on the new negotiated lease that they were interested in selling it to a northern company, the numbered company. There was some assignment of the lease that happened around that time. We will get that information to the honourable Member. Thank you.

**MR. SPEAKER:**

Okay. Oral questions. Supplementary, Mrs. Groenewegen.

Supplementary To Question 207-13(5): Time of Lahm Ridge Lease Signing

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. The legal documents I have indicated just for everybody's information, Mr. Speaker, are all within three minutes of each other, 14:51, 14:52, 14:53. I will look forward to hearing what time the extension was signed on the same day.

Mr. Speaker, my next question is, did Mr. Al Marceau, the owner of Lahm Ridge Investments, have the option of taking his newly acquired eight-year lease, putting it in his pocket and walking away from the sale to Mr. Mrdjenovich and Mr. Bailey? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 207-13(5): Time of Lahm Ridge Lease Signing

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, the Lahm Ridge Tower Investment Company owned by Mr. Marceau had approached the regional superintendent, Mr. Vince Dixon, to extend the lease provision of their agreement Mr. Vince Dixon was directed by my deputy minister, Mr. Ken Lovely, to go ahead and negotiate a lease. Once all the elements of the lease were hammered out between Mr. Dixon and Mr. Marceau, and when it came time to sign these documents, they became aware that Mr. Marceau was interested in selling his property to a northern company. A northern numbered company. We knew the identity of the owners. It was not a condition of his sale. I do not know whether Mr. Marceau had the options of putting this deal in his pocket and walking away. It is obvious by Mr. Marceau approaching the Department of Public Works staff and asking to extend the lease, then once the lease was hammered out, coming again to us and saying he was going to sell his property and we had to do this assignment. It is obvious his intention all along was to negotiate the lease and then sell his property to another company. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 207-13(5): Time of Lahm Ridge Lease Signing

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. I understand that Mr. Vince Dixon, the regional superintendent of Public Works and Services, did negotiate the items on behalf of the Department of Public Works and Services, the extension conditions. Mr. Speaker I am interested in knowing who negotiated on behalf of Lahm Ridge Investments for the extension conditions. Was it not Mr. Mrdjenovich who negotiated those conditions? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Antoine.

Further Return To Question 207-13(5): Time of Lahm Ridge Lease Signing

**HON. JIM ANTOINE:**

Thank you, Mr. Speaker. Mr. Speaker, I do not know that and I will get back to the Member with that information. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. O'Brien.

Question 208-13(5): Concerns with Policing in Small Communities

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Justice. It is not about the Lahm Ridge Towers. Mr. Speaker, there have been numerous concerns raised regarding policing issues in the small communities.

Mr. Speaker, we have heard comments about calls being responded to much later than they should have been because of a shortage of staff. In some cases, where officers have to fly the next day to address calls they have received. My question to the Minister is what is this department doing to address this very critical issue? Thank you.

**MR. SPEAKER:**

The Minister of Justice, Mr. Arlooktoo.

Return To Question 208-13(5): Concerns with Policing in Small Communities

**HON. GOO ARLOOKTOO:**

Thank you, Mr. Speaker. I have been in contact with Inspector Grimmer and Commanding Officer Sweeney to discuss issues such as the one the

Page 549

Member has brought up. Also, to bring forward other issues that MLAs have brought forward on policing, personnel and procedures, et cetera. What we plan to do is to offer a briefing to all MLAs by these two gentlemen from the RCMP within the next few weeks so there is a chance for MLAs to voice their concerns and for the brass of the RCMP to answer to their concerns.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Picco.

Question 209-13(5): Affordability of Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, my question is on pay equity to the Minister of Finance. Repeatedly, in this House, Mr. Speaker, the Finance Minister keeps saying we will pay what is affordable. To me, what is affordable is like my mortgage. Even though I can not afford to pay it sometimes, I still have to pay it. What does the Minister mean by affordable?

**MR. SPEAKER:**

The Minister of Finance, Mr. Todd.

Return To Question 209-13(5): Affordability of Pay Equity Resolution

**HON. JOHN TODD:**

It is what we can afford. Mr. Speaker, perhaps I could try to answer it this way. We are now in a position in which we were not before. For a number of years we could quantifiably define through the Hay Associates Group, what we believe is a defensible position as it relates to pay equity and the job evaluation that was done and identify the costs associated with that.

I have said since this artless debate started, we are projecting a \$25 million expenditure on the

retroactivity side and a \$9 million expenditure on the ongoing side, which should reach an arrangement that is affordable. That is what we can do and what we can fund by the prudent management of this government and its fiscal resources. Anything beyond that and certainly anything at the level in which our partners in the process, the UNW, are suggesting anywhere between \$100 million to \$250 million, depending on what you hear out there, simply is not affordable. What we are trying to say to everybody is we want to come forward with a negotiated arrangement that this territory can afford to pay for, that will solve this issue so that the two new governments do not inherit it on April 1, 1999. I think it would be fair to say, for all my colleagues around this table and the public at large, I do not think the government can sustain any further job loss or downsizing of programs and services we deliver to the people we represent. This issue has been going on for ten years. This Finance Minister, at least, has made the offer to try and solve the problem and has extended a hand of solving and negotiate a settlement, \$25 million in retroactivity, \$9 million in ongoing is an affordable settlement. That is affordable.

--Applause

**MR. SPEAKER:**

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

Supplementary To Question 209-13(5): Affordability of Pay Equity Resolution

**MR. PICCO:**

Maybe I am the odd man out on this, but I always thought it was what we owed. If it was affordable on what we owed. I do not know what we owe, and he does not know what we owe, it seems. My follow up question is, have negotiations stopped on pay equity? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 209-13(5): Affordability of Pay Equity Resolution

**HON. JOHN TODD:**

I certainly hope not, Mr. Speaker. It certainly would be my intent, in my public statements I have been

making in the last two or three days, that we would like to negotiate an appropriate settlement. We are at the bargaining table. We are prepared to negotiate. We need a partnership to do that. We are extending a hand to the UNW to come to the table, negotiate an affordable settlement, put money into the hands of northerners in April of this year and let us get on with running the rest of the government. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 209-13(5): Affordability of Pay Equity Resolution

**MR. PICCO:**

Mr. Speaker, my question to the Minister, is it not true that the UNW has said they are bargaining their collective agreement. They are not bargaining right now on pay equity? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 209-13(5): Affordability of Pay Equity Resolution

**HON. JOHN TODD:**

That appears to be the position of the UNW. That is correct, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 209-13(5): Affordability of Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Then who is the Minister negotiating with?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 209-13(5): Affordability of Pay Equity Resolution

**HON. JOHN TODD:**

I indicated to my honourable colleague we are extending a hand to our partners in the process to negotiate pay equity. I have said that since this issue became

Page 550

more public than it has been in the past. I extend it again. We are at the table. We are prepared to put pay equity on it. If the UNW chooses not to, that is not my doing or this government's doing.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Henry.

Question 210-13(5): Western Harvester Assistance Program

**MR. HENRY:**

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Resources, Wildlife and Economic Development, Mr. Kakfwi. Some time ago the Minister provided a briefing note on the Western Harvester Support Program. I notice it is presently still in the budget at a reduced amount for the ensuing year. I also notice a similar program, the Nunavut Hunters Income Trust Support, was terminated this year. Can the Minister advise as to what he intends to do with the program after this year? Thank you, Mr. Speaker.

**MR. SPEAKER:**

The Minister of Resources, Wildlife and Economic Development, Mr. Kakfwi.

Return To Question 210-13(5): Western Harvester Assistance Program

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. The Harvester Assistance Program was initiated to supplement the Nunavut claims settlement some years ago with two previous governments. The Nunavut Program was a program that required the Government of the Northwest Territories to put money into a fund over a fixed period of time, matching funds with the aboriginal claiming group. As of this year, the total contributions that were required by the Government of the Northwest Territories has been contributed. The fund is now fully funded and in the hands of the board that will administer that fund. In the western part of the territory, the settlement of the Gwich'in claim and the

Sahtu claim required that we look at a different arrangement but the same guidelines applied. Although regions could apply, individual communities could apply. The amount was calculated, I believe, on a per capita basis similar to the amount invested in the Eastern Arctic. So far, a number of regions and communities have applied for this fund. Therefore, the amount required each year to be put in the budget varies. As different communities and regions initiate these programs, the funds are allocated as much as possible through the budget process. So, that is why the annual amount allocated in the budget seems to vary, going up and down. It depends on how many programs we commit ourselves to. The period of time and the amount of money that is required, as well as, how many new communities and regions also apply for these programs and are approved for them. It will be a few more years before we are fully complete our commitments and obligations here in the west. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 210-13(5): Western Harvester Assistance Program

**MR. HENRY:**

Thank you, Mr. Speaker. I will try a little short supplementary.

--Laughter

**MR. HENRY:**

I notice one of the goals of that particular program is to promote the local renewable resource economy. I also know a part of that program says contributions can be provided to regional and community aboriginal organizations. Could the Minister tell us why, if the goal is to promote local renewable resource economy, why it could not be open to all residents of the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 210-13(5): Western Harvester Assistance Program

**HON. STEPHEN KAKFWI:**

Mr. Speaker, the money allocated was done on the basis of trying to initially supplement in support of the Nunavut claims settlement. It is primarily intended to benefit the aboriginal harvesters since the money, at least 50 percent of the money, is being contributed by the recipient. The original intent was to initiate this program in support of the settlement of the Nunavut claim. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 210-13(5): Western Harvester Assistance Program

**MR. HENRY:**

Thank you, Mr. Speaker. My question to the Minister is I understand the program is terminating at the end of this year. If the Minister is looking at using this program as a vehicle in the future, will he look at ways to include all residents in the communities in the western territories? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 210-13(5): Western Harvester Assistance Program

**HON. STEPHEN KAKFWI:**

Mr. Speaker, this particular program is, as I said, designed specifically to assist the aboriginal harvesters in the Northwest Territories. All other programs that we have are open to legitimate hunters and trappers who hold licences to harvest and to trap, or who hold a general hunting license. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 210-13(5): Western Harvester Assistance Program

Page 551

**MR. HENRY:**

Thank you, Mr. Speaker. Could the Minister identify for me some of those programs that are of a similar nature that promote the local renewable resource

economy? Could he just give me some of the names of those programs that are open and available to all residents of the territories? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 210-13(5): Western Harvester Assistance Program

**HON. STEPHEN KAKFWI:**

Mr. Speaker, there is a whole range of different programs made available to assist hunters and trappers in the Northwest Territories and people who hold general hunting licences. One would be, I believe, a Fire or Disaster Assistance Program for trappers and hunters who lose their equipment, their cabins, their traditional hunting areas or trapping areas as a result of fires. We assist, for instance, in replacing or moving people to alternative harvesting areas. We look at replacing and assisting in building new cabins if those cabins were lost. We have another program that replaces capital equipment like boats and motors if, for instance, because of what you would call an act of God, boats are lost or motors are lost and damaged through things like lightning, floods, these types of things to compensate for the loss of equipment. We have a Fur Price Program which provides minimum prices for the number of species. I shall leave it at the three I just cited. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Ootes.

Question 211-13(5): Review of NWT Medical Association Brief

**MR. OOTES:**

Thank you, Mr. Speaker. I would like to ask the Minister of Health several questions regarding our meeting last night. I did not come away from the meeting with the NWT Medical Association at which four doctors who are members of that board were present, with any feeling that they presented a great deal of confidence in the department's approach and their actions. My question for the Minister is, they gave us a three page brief, also the NWT Nurses' Association has about a 20-page brief. Could the Minister tell us if he has had a chance to review that? Thank you.



**MR. SPEAKER:**

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

Return To Question 211-13(5): Review of NWT Medical Association Brief

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, no, I have not had a chance to review in detail the brief. I have had the opportunity to meet with the same representatives of the NWT Medical Association prior to Christmas, as well as the NWT Registered Nurses Association, also before Christmas, Mr. Speaker. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 211-13(5): Review of NWT Medical Association Brief

**MR. OOTES:**

Thank you, Mr. Speaker. There were a number of comments made there last night which were rather, how should I say, alarming or certainly to be made note of. One was unfortunately involving the Keewatin situation at that time, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 211-13(5): Review of NWT Medical Association Brief

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, the meeting I had with the NWT Medical Association was of a much broader nature in respect to some of the reforms that we are undergoing, particularly, it was in response to the strategic planning process which we undertook in a Med-Emerg Report that was out there. Their comments were limited to their recommendations of what they saw, some of the weaknesses and some of the strengths in some of the changes that were taking place and what they would recommend in respect to improving the overall system. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 211-13(5): Review of NWT Medical Association Brief

**MR. OOTES:**

Dr. Butcher said last night that we are placing undue expectations on the boards. They do not have a governance process in place and they do not have the critical mass of well-trained people. Are these the kind of questions that were posed to the Minister and points that were posed to the Minister in his meeting with them last December? Thank you.

**MR. SPEAKER:**

Thank you. Mr. Ng.

Further Return To Question 211-13(5): Review of NWT Medical Association Brief

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, some of those concerns were raised but quite frankly, there are governance structures in place. There are individuals in place, given that the level of expertise varies and the level of knowledge and experience between board members, between boards themselves and between some of the staff that they have throughout the Northwest Territories, depending on what resources they bring to the table and to delivering the system, Mr. Speaker. Thank you.

**MR. SPEAKER:**

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

Page 552

Supplementary To Question 211-13(5): Review of NWT Medical Association Brief

**MR. OOTES:**

Thank you, Mr. Speaker. What they said was, we need to ensure a plan is in place for appropriate training in clinics and hospitals, adequate supply of staff, all institutions should be credentialed, following that all individuals should be credentialed. Has the Minister looked all of those? Thank you.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 211-13(5): Review of NWT Medical Association Brief

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I do not disagree with any of that. It is just a matter of the pace of implementing those things. Given the reforms that we are going through and given some of the demands that are placed on our system, on a day to day basis as we try to deliver health and social services to our constituents with the limited resources we have, Mr. Speaker. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Picco.

Question 212-13(5): Addressing NWT Health Delivery Concerns

**MR. PICCO:**

Thank you. I would like to follow up on my earlier Member's statement concerning the meeting held last night with the NWTMA. In light of the recent concerns that have developed with health in the Northwest Territories in the past few months, I am wondering if the Minister has instructed his staff, his department, to actually take a review, look at what has happened and put a strategy in place to deal with these issues before they happen again. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Return To Question 212-13(5): Addressing NWT Health Delivery Concerns

**HON. KELVIN NG:**

Well, thank you, Mr. Speaker. Mr. Speaker, I think as I said before that some of the issues that have developed recently in the public have been specific to the Keewatin area. There was, of course, earlier some concerns in the Baffin as well. I have once again, I will say that we have recognized that we are deficient in some of the monitoring and evaluation, I think of board programs and board services and how they attempted to deliver those services and we have actively developed a monitoring and evaluation unit that we plan to actively utilize in trying to assist boards and ensuring that programs, standards and

evaluations are met throughout the territories. Thank you.

**MR. SPEAKER:**

Thank you. Question period is over. Mr. Picco, you can conclude your supps.

Supplementary To Question 212-13(5): Addressing NWT Health Delivery Concerns

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, there were two cursory reviews done on the Keewatin Health Board and the Baffin Health Board. Shortly thereafter, we had the public recommendations from the doctor there. I am wondering, has the Minister gone back to review those two cursory reviews, to see if indeed, something should have been done and then we try to get to fix that problem before it occurs. Has he again reviewed the cursory reviews that had been done earlier to indeed, point out the problems. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 212-13(5): Addressing NWT Health Delivery Concerns

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, those were not cursory reviews, those were in-depth analyses actually of reviews of some of the actions that were ongoing, action plans that were laid out for the boards to follow. Certainly, our staff who are in there now, are working with the trustees in continuing and implementing that plan and current ones that flow into that plan. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 212-13(5): Addressing NWT Health Delivery Concerns

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I am not trying to debate the Minister on what has happened, but if they were such indepth reports, then why two months after those reports came out, did we had the crisis

where everyone resigned and you had doctors speaking out and so on. Why?

**MR. SPEAKER:**

Is that a question? Mr. Ng.

Further Return To Question 212-13(5): Addressing NWT Health Delivery Concerns

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, I want to clarify for the record, we did not have everybody resigning. We had one position resign from the Keewatin Regional Health and Social Services Board. There was, as we recognized, some deficiencies and some of the contract employees, over a certain short period over Christmas, where they were not available to provide services. Some of the staffing levels were not up to par. I just wanted to clarify that. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 212-13(5): Addressing NWT Health Delivery Concerns

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I should clarify too, that indeed I said two cursory reviews. There were resignations in my riding also, that was involved in that cursory review. Mr. Speaker, in the cursory review that he spoke about on the Baffin Regional Health Board and on the Keewatin

Page 553

Regional Health Board, and I realize the Minister has a difficult job and I am not trying to debate, Mr. Speaker. I will ask my supplemental question. Mr. Speaker, if indeed after the NWTMA meeting last night and regard to the cursory reviews, has the Minister forwarded on copies of those cursory reviews on the health board for critique from outside of government and outside the department to see what other experts, like the NWTAM, could say on that? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Ng.

Further Return To Question 212-13(5): Addressing NWT Health Delivery Concerns

**HON. KELVIN NG:**

Thank you, Mr. Speaker. Mr. Speaker, as Members may recall, it was a public document that was distributed to whoever wanted to access a copy. If the honourable Member wants one, I will provide him with one as well. Thank you.

**MR. SPEAKER:**

Thank you. Question period is over. Item 7, written questions. Mrs. Groenewegen.

ITEM 7: WRITTEN QUESTIONS

Written Question 7-13(5): Victims Services in the NWT

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, I have written questions for the Minister of Justice regarding victim services in the Northwest Territories. The questions are:

- 1) How much money is actually collected through the victims of crime surcharge?
- 2) What is done with the monies collected through the victims of crime surcharge?
- 3) What is the breakdown of monies by community and what percentage does each community receive?
- 4) Where, if any, does the balance of the monies go?
- 5) Is the government of the Northwest Territories committed to the continued funding of victim support programs? If so, to what level?

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. Mr. Kakfiwi.

ITEM 13: TABLING DOCUMENTS

Tabled Document 31-13(5): Minister's Trip Report, London - Antwerp January 5-9, 1998

**HON. STEPHEN KAKFWI:**

Mr. Speaker. I wish to table the following document entitled; Minister's Trip Report - London, Antwerp January 5-9, 1998. Thank you.

**MR. SPEAKER:**

Thank you. Tabling of documents. Item 14, notices of motion. Item 15, notices of motion for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters. Bill 8, Committee Report 2-13(5), Committee Report 3-13(5), Committee Report 4-13(5), Committee Report 5-13(5), Tabled Document 15-13(5) and Tabled Document 19-13(5). With Mr. Ningark in the Chair.

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

**CHAIRMAN (Mr. Ningark):**

I would like to call the committee to order. Item 19, consideration committee of the whole, bills and other matters. We have a number of items here. 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, Committee Report 2-13(5) and Committee Report 3-13(5) and we start with the Legislative Assembly, followed by the Department of Finance, followed by the Department of MACA.

**CHAIRMAN (Mr. Ningark):**

Do we have the concurrence of the committee that we proceed with Bill 8, Committee Report 2-13(5), Committee Report 3-13(5), Legislative Assembly, followed by Finance and MACA after the break? Thank you.

--Break.

**CHAIRMAN (Mr. Ningark):**

Thank you. I would like to call the committee back to order. We are dealing with the 1998-99 Main Estimates. The activity summary is the Office of the Clerk. When we left off last night, we were dealing with total operations and maintenance, \$7.472 million. I would like to recognize the Speaker and ask him for the record, to introduce the witnesses.

**HON. SAMUEL GARGAN:**

Thank you, Mr. Chairman. Good evening. I have with me the Clerk of the Legislative Assembly, Mr. Hamilton. Thank you.

**CHAIRMAN (Mr. Ningark):**

My apologies, Mr. Speaker. Operations and maintenance on page 1-6, total operations and maintenance, \$7.472 million. Agreed? Mr. Evaloarjuk.

**MR. EVALOARJUK:**

(Translation) Mr. Chairman, being on page 1-6, can we make general comments or just to this item at this time? What is the procedure? (Translation ends)

**CHAIRMAN (Mr. Ningark):**

(Translation) We are in the item of Office of the Clerk, so your general comments must relate to this item. We are in detail of budget. If you make a mistake and make a comment you will be so notified or you will be asked to rephrase your general comments. (Translation ends)

**MR. EVALOARJUK:**

(Translation) Thank you. I should at least express my gratitude for this opportunity. At this time I

Page 554

would also like to thank Bryan Pearson. I think he was the first man to introduce the use of simultaneous interpreters within the Legislative Assembly. I believe it was him who put forward a motion to that effect. The people in my riding and my constituency who are unable to speak in English are able to keep up with the business of the House through the use of interpreters and for me especially I am able to keep up with the activities through the use of the interpreters. I understand that the current House interpreters are hired on a contract basis. I do appreciate the services that are provided. Being a unilingual Member in the House, I do not want to focus on myself or my personal difference here in the House, but everyone knows that I am the only unilingual Member. I am in a unique position whereby I do have a constituency assistant in Igloodik. I can say at this time that the funding for my travel within my constituency under my constituency budget is currently almost all used up. I need the use of the interpreters and I had to have a part-time constituency assistant because of my unilingualism. I had to pay

for this person's services from my operating and maintenance budget. I believe because of this unique position I have to have additional assistants because of my unique unilingual position. I should be able to access funding that would enable me to hire an assistant during my stay here. Of course we are accountable for the use of our funding. Back in the days around 1975 and 1976, we had much more freedom. I do not really understand why we are not given that flexibility to access certain funding that is considered necessary. That is my question. I thank you, Mr. Chairman. (Translation ends)

**CHAIRMAN (Mr. Ningark):**

(Translation) Thank you, Mr. Evaloarjuk. Mr. Evaloarjuk has work to do and I believe you might want to respond to that, Mr. Speaker. (Translation ends)

**HON. SAMUEL GARGAN:**

Thank you, Mr. Chairman. We did not realize because of the unique situation of Mr. Evaloarjuk that he required those professional services. I am glad Mr. Evaloarjuk has brought it to our attention. We will look at what we can do to assist. If you are using most of your constituency money for interpreter services, then I agree we should be providing some of that service ourselves to the Member. We will look at it.

**CHAIRMAN (Mr. Ningark):**

(Translation) Do you understand, Mr. Evaloarjuk? Do you have any further comments? (Translation ends)

**MR. EVALOARJUK:**

(Translation) No. (Translation ends).

**CHAIRMAN (Mr. Ningark):**

Total operations and maintenance, \$7.472 million. Agreed? Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. I have a quick question. Yesterday there were a number of questions brought up on constituency assistants. I would like clarification from the Speaker that constituency assistants are not government employees and that they fall under the employee of the Member of the riding.

**CHAIRMAN (Mr. Ningark):**

Mr. Speaker.

**SPEAKER (Hon. Samuel Gargan):**

The Member is correct.

**CHAIRMAN (Mr. Ningark):**

Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. By being not included in the Government of the NWT employees, they do not qualify for many of the different, for example, the northern allowance, they do not qualify for those items.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Speaker.

**HON. SAMUEL GARGAN:**

Yes. The Member is again correct.

**CHAIRMAN (Mr. Ningark):**

Mr. Roland.

**MR. ROLAND:**

Maybe the Minister of FMBS would be paying attention to this and include this into his pay equity efforts. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-6, total operations and maintenance. The Chair recognizes Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Good afternoon. Mr. Chairman, my question concerns the facilities management under the Office of the Clerk on page 1-6. I note last year there were some concerns with contracts surrounding security. I also note now that there have been new security procedures put in place or items for security including video cameras and other security issues. I am wondering has the building been checked out by any other security agency for security or for public safety concerns if they are visiting the Legislative Assembly or for the Members themselves? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Gargan.

**HON. SAMUEL GARGAN:**

Mr. Chairman, the security system in our building is checked out twice a year by the RCMP surveillance unit.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

I understand when the RCMP checked out the building twice a year for facilities that there may also be a contingency there to sweep for electronic listening devices. Has that occurred over the past 12 months?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Speaker.

**HON. SAMUEL GARGAN:**

That has also been done, for listening devices and that too. Yes.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, when the building is swept by the RCMP twice a year for listening devices, commonly called bugs, could the Speaker or the Clerk inform me at this time in the House, indeed, when this is done do they check for listening devices in offices, phones, is it just the public areas? Can you give us an idea or an

Page 555

understanding of what is done when it is checked for listening devices?

**CHAIRMAN (Mr. Ningark):**

Thank you. You are getting a bit detailed. Do you have a checklist, Mr. Clerk?

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

Thank you, Mr. Chairman. Yes, when the sweep is done by the RCMP surveillance unit the complete

building is swept from top to bottom. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, my supplementary question would be has anything been found in the past 12 to 16 months? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Clerk.

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

Mr. Chairman, the reports that we have received back have indicated that there have been no devices found that are of a listening nature that would interfere with the ability of Members, staff and Cabinet to do their work. There have been no devices found.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, is it possible to get a copy of that report from RCMP surveillance security?

**CHAIRMAN (Mr. Ningark):**

Thank you. It is your discretion if you want to respond. Mr. Speaker.

**HON. SAMUEL GARGAN:**

Yes, we can provide that to the Member.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, my final question under facilities management is the cost of the sweeping by the RCMP for these electronic listening devices and other security measures. Is that a direct charge to the Legislative Assembly or the

Government of the Northwest Territories and where would that appear in our main estimates?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Clerk.

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

Mr. Chairman, it is my understanding that this service is provided at no charge to the Legislative Assembly or the government. It is a function that the RCMP offer not only to this government but to other governments across Canada as a service. It may be included under the RCMP policing agreement, but I am not aware if we have been charged with any cost for this service, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Was that final, Mr. Picco?

**MR. PICCO:**

Yes. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Going back to total operations and maintenance, \$7,472,000. Mr. Enuaraq.

**MR. ENUARAQ:**

(Translation) Thank you, Mr. Chairman. Under the Office of the Clerk, I also understand that the rental of offices within our communities, will you provide continued funding for us to rent offices in our communities? Thank you. (Translation ends)

**CHAIRMAN (Mr. Ningark):**

(Translation) Thank you. Mr. Speaker. (Translation ends)

**HON. SAMUEL GARGAN:**

Yes, Mr. Chairman. It is included in the budget.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total operations and maintenance, \$7,472,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-7, Office of the Clerk, building and works, headquarters, total region, \$282,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Rabesca.

**MR. RABESCA:**

Yes, Mr. Chairman. I am concerned about the Capital Site Improvement Program in Yellowknife and \$42,000. I was wondering what it really refers to?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Speaker, perhaps the road?

**HON. SAMUEL GARGAN:**

We have the Clerk.

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

Thank you, Mr. Chairman. The Capital Site Improvement Program is an ongoing program that is in the budget that deals with improvements to the site throughout this coming year that this budget is for and into subsequent years. We have allocated so much each year pending approval of the Assembly. The \$42,000 that is identified in the 1998-99 budget is for planning work that is going to be done in the area between the Prince of Wales Heritage Centre and the RCMP. It involves a joint venture with the City of Yellowknife, the RCMP and the Department of National Defence. We plan to improve what we call the Ceremonial Circle which is beyond the Prince of Wales Heritage Centre. The \$42,000 is our share of a joint venture project with our partners on the capital site, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Building and works, headquarters, total region. Mr. Rabesca, are you okay? Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, yesterday I had asked a question in this area and was told to

wait until the area came up specifically. I will finish my question from yesterday which was on the capital site improvement and the pavement last year. There was some debate over the paving of the area and increasing the access for handicapped people. I do not see anything in prior year's cost for that. Was the total budget of \$500,000 last year spent? Where would it show up in the main estimates for last year? I do not see anything for prior year's cost. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Speaker. Mr. Hamilton.

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

Mr. Chairman, that project will be completed in this fiscal year. It was a completed project and does not show up in the capital estimates of the Assembly because is not an ongoing project. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

The \$42,000 then, for 1998-99 is new money to be spent on the Capital Site Improvement Plan, is that correct?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Hamilton.

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

Thank you, Mr. Chairman. The project that was in the main estimates in the current fiscal year was for capital site paving which was the title of that project. This one is a new project. This is the ongoing project versus the specific project that was in the budget for this current year.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total region is \$282,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total building and works, \$282,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Total activity is \$282,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-8, Office of the Speaker. Operations and maintenance, total operations and maintenance, \$157,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-9, expenditures on behalf of Members, operation and maintenance, total operation and maintenance, \$4,357,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-10, Office of the Chief Electoral Officer, operations and maintenance, total operation and maintenance, \$178,000. Agreed? Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I have some concerns with the office of the Chief Electoral Officer for the elections of the Nunavut settlement area. Could the Office of the Chief Electoral Officer at this time update this House on the status and timelines on those Nunavut election procedures? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Hamilton.

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

Thank you, Mr. Chairman. There are still two significant events that need to occur that will trigger the election for the first Nunavut Legislative Assembly. The first item is the boundaries for the



electoral districts for Nunavut. These are required to be named and described by an Order-in-Council of the federal government. It is my understanding that it is being prepared now and will be forwarded based on 19 electoral districts to the federal government, to the Minister of Indian Affairs and Northern Development, and if the Minister of Indian Affairs accepts it, then she will process the Order-in-Council. Once that Order-in-Council has been approved, then that will allow the Office of the Chief Electoral Officer to begin recruiting returning officers based on those 19 electoral districts.

The second one which is of significance, Mr. Chairman, in the planning process, will be the timing for the first election for Nunavut. Currently, as Members are aware, the Nunavut Act requires that the election for the first Nunavut Legislative Assembly cannot be called until after April 1, 1999. One of the amendments in the package of amendments to the Nunavut Act that will be introduced, it is my understanding, into the House of Commons for first reading, probably around February 13th, included in that amendment is a provision that would allow for the holding of an earlier election for the first Nunavut Legislative Assembly. Again, if that bill is passed and the act is amended, that is the next significant event and it would then allow us to proceed to name the date for the first election for Nunavut to allow for a Nunavut-wide enumeration for the first election. We are currently recruiting for a Deputy Chief Electoral Officer for Nunavut. It is my hope that we will be able to staff the Nunavut office and have it open by April 1, of this year, Mr. Chairman. From there, our plan would be to hold the enumeration for the first election probably in October of this year allowing for an election sometime in February of 1999. Mr. Chairman, we do need the Order-in-Council and also the Nunavut Act amendments. If they are not passed in a timely fashion, it could have a significant impact on the first election for Nunavut, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Supplementary, Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, when would the Chief Electoral Officer or deputy electoral officer for Nunavut be hired and in place?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Hamilton.

Page 557

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

Mr. Chairman, the Member of the committee would be interested to know that I am actually interviewing for the Deputy Chief Electoral Officer position tomorrow. It is hoped that we would be able, if we are successful with the competition, to have somebody hired and working by the end of February. It is also our hope, as I indicated earlier, that the office for that person and the two other people who we plan to have in Iqaluit, would be open by April 1. The office in Iqaluit will have three people employed in it, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Office of the Chief Electoral Officer. Operations and maintenance, total operations and maintenance, \$178,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Commissioner of Official Languages, page 1-1, operations and maintenance, total operations and maintenance, \$351,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Flip the page over, page 1-12, active positions. This is an information item. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regard to the positions within the Legislative Assembly, I just want to be consistent with regard to my concerns regarding the affirmative action policy and ensure that it is being adhered to. I would like to ask the Speaker, have they seen an increase in the amounts of affirmative action candidates working within the legislature and, if so, how many percentages or increases have there been? Does he have some statistics in regard to the trend? Has it gone up? Has it gone down? If the Speaker can address those questions?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Speaker, do you have the details of the breakdown? Mr. Speaker.

**HON. SAMUEL GARGAN:**

Thank you. Mr. Chairman, we have 31 positions of which we have currently six aboriginal and nine indigenous non-aboriginals, which is 49 percent.

**CHAIRMAN (Mr. Ningark):**

Thank you. Information item, active positions. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 1-13, detail of work performed on behalf of third parties, total department, \$322,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. We go back to page 1-5, program summary, operations and maintenance, total operations and maintenance, \$12,515,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total capital, \$282,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total expenditures is \$12,797,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we agree then, this Legislative Assembly is concluded? I would like to thank the Speaker and Mr. Hamilton for appearing before the committee. A job well done. Thank you.

--Applause

**CHAIRMAN (Mr. Ningark):**

Initially, we have agreed to do a review of the Department of Finance. Do we agree that we will proceed in that order?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Todd, do you have opening remarks for the committee?

**HON. JOHN TODD:**

Thank you, Mr. Chairman. I am pleased to introduce the main estimates of the Department of Finance for 1998-99.

For 1998-99, the Department of Finance is requesting a total expenditure budget of \$8,898,400 or 6.2 percent less than in 1997-98. This expenditure budget is accompanied by a revenue budget of \$1,015,942,000.

The Department of Finance provides advice to Cabinet and the Financial Management Board and otherwise serves the government in five principal areas.

A second departmental responsibility is the preservation of the government's financial and other assets by managing the government's cash, borrowing and banking arrangements and by managing a Comprehensive Insurance Program.

Third, the department develops, interprets and disseminates statistical data about the Northwest Territories.

Page 558

continues to focus on the strategies to ensure that the necessary funding is in place for Nunavut and the Western Territory by April 1, 1999. Negotiations have begun and are continuing with the federal government, the Interim Commissioner, NTI and yes,

the Western Coalition on appropriate funding levels and mechanisms for the two new territories. We hope to conclude these discussions by early March so that a federal decision can be made by April.

In addition, the department will work toward the creation of separate statistical and taxation data bases by April 1, 1999. More specifically targeted to the government's priorities of improving social and economic conditions are the two tax initiatives which I announced last week. The Department of Finance is working to develop the necessary legislation for the implementation of the NWT Child Benefit and the NWT Equity Investment Tax Credit Programs. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Todd. I believe on behalf of the committee that reviews this particular area, Mr. Henry, has a report to make. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. The Report of the Standing Committee on Infrastructure on the Department of Finance.

The committee reviewed the options available to the Department of Finance to increase revenues to help pay for existing and proposed programs and services. In the Minister's opinion, increasing corporate income tax at this time would deter any new businesses from coming to the north and would be a hardship on existing businesses. The Minister also noted that most of the corporate income tax is paid by a small number of corporations and any increase would be borne largely by these few businesses.

The proposed Public/Private Partnerships (P3) initiative was discussed as one of the financing tools available to address capital infrastructure deficiencies. The committee is of the opinion that if the proposed P3 program is implemented efficiently, effectively and reasonably, it may address some of the infrastructure problems the government is confronting.

Committee Members discussed the current resource royalty tax regime, which is projected to provide little direct benefit by way of additional revenues from the pending diamond industry. The Minister indicated that the department is attempting to renegotiate the existing tax regime to develop a more appropriate royalty structure, particularly for the diamond industry.

Other creative options must also be considered. Committee Members are of the opinion, that since the diamond sector makes extensive use of the Northwest Territories infrastructure, the industry could contribute to its maintenance and development.

The committee recommended that the government examine additional revenue options such as a highway toll tax for commercial trucks involved in the mining industry, specifically, the diamond sector.

Mr. Chairman, on the Northwest Territories Child Benefit, the committee examined the proposed Northwest Territories Child Benefit, which would provide a tax credit to families based on the number of children, in proportion to their annual income.

The program would be administered by the federal government in conjunction with its National Child Benefit Program. The benefits would be mailed out to families in monthly payments. The committee recommends the adoption of the proposed Northwest Territories Child Benefit for low-income families.

On the formula financing, incremental and transitional costs for division, committee Members were concerned about the negotiations relating to the incremental and transitional costs for division. Issues such as severance pay and office leases, which are, in part, responsibilities of the Government of the Northwest Territories are of particular concern. These figures will be more clearly identified in the division transition document being prepared by the Nunavut Interim Commissioner.

The committee looks forward to receiving the Interim Commissioner's analysis of incremental and transitional costs of division.

Mr. Chairman, on the question of training positions for Nunavut, the committee noted that no Nunavut training positions are identified in the Department of Finance main estimates. Committee Members are aware of the Interim Commissioner's role in relation to staffing the new Nunavut government. However, there needs to be adequately trained staff in advance of division to fill positions in the new territory.

Therefore, the committee recommended that the Department of Finance consider taking steps to access the training funds available through the Nunavut Unified Human Resource Development Strategy, which provides funding for Nunavut training positions. That concludes the report, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Henry. Before I allow for the general comments, I would like to ask the honourable Minister if he wishes to bring in witnesses. Mr. Todd.

Page 559

**HON. JOHN TODD:**

Yes, I do actually, Mr. Chairman. I hope they are here, but if not, we will proceed to the witness table anyway.

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we agree? The honourable Minister shall bring in the witness? Proceed. Mr. Minister will you please introduce the witnesses to the committee.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. On my immediate right is Ms. Margaret Melhorn who is the deputy minister of Finance and on my immediate left is Mr. Bill Setchell, who is the director of finance and administration.

**CHAIRMAN (Mr. Ningark):**

Thank you. Welcome to the committee. We have heard the statement from the Minister and Mr. Henry on behalf of the committee that reviewed this matter. We are now open for the general comments from the floor. Any general comments or shall we go through line by line at this time? Line by line. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question to the department of Finance is in relation to the control mechanism that we have in place to ensure that we continue to monitor the financial situation of this government. Also to look at the possibility of finding ways of generating new revenues and in some places, the possibility increasing taxes in order to arrive at these revenues. We always ask the Minister of Finance about the possibility of finding new revenue sources such as the possibility of taxing the diamond industry, increasing tobacco taxes, looking at the possibility of increasing the corporate taxes since we are the lowest taxed in Canada. I think we have to keep in mind the cost to this government especially when you see other jurisdictions not only in Canada but in regard to the United States when it comes to the tobacco industry and the cost to not only this government but other governments in regard to

healthcare. Which is one of the areas where there is a real increase in cost especially when it comes to health related diseases because of tobacco smoking and the effects that it has on non-smokers, children and the whole health of all the residents of the Northwest Territories.

I believe we have to seriously look at the possibility of considering increasing tobacco taxes to offset those costs that are associated to this government when it comes to tobacco related health care matters. In light of the high cases of cancer we see in the communities and also the high rates of teenagers and children smoking in relation to the effect that it is going to have on this government in future years, I believe we should seriously look at the possibilities of increasing taxes in these areas and the possibilities of looking at the whole tobacco industry to pick up some of those costs this government has had to incur because of health related diseases because of tobacco smoke. Regarding the whole area of increasing our revenues in reference to the Liquor Commission, there has always been a call for alcohol related affects on people. Especially the cost of treatment, the cost of the justice system of which a large majority of our cases are alcohol related. Finding a mechanism to have the ability to not only put labels on bottles but to take some of those revenues and put them in to the whole area of helping people kick the habit, help those people who have become addicted to alcohol. I think these are areas we have to look at in light of the revenues that we generate from these different tax regimes and also the different distribution of liquor in the Northwest Territories through the Liquor Commission.

With the whole area of the child benefit, I believe it is a good initiative but we have to ensure that it is streamlined in such a way that the resources are there to ensure that it is implemented in such a way that does flow smoothly.

The whole idea of the P3 programs in this government, I support that initiative knowingly that it is one method of stimulating the economy, especially where there is not much of an economy in some regions or sections of the territories where we depend on those summer seasonal jobs, especially when it comes to developing infrastructure. Looking at the cost to this government of building schools where you are having to have the money up front and finding new initiatives where you spread the cost of an item over a number of years. In regard to these initiatives, there are a few areas I have concerns with, in regard to the P3, but I believe they can be worked through.

In regard to the whole area of ensuring the majority of the economic spin-off that comes from any of these projects, stay within the communities and the opportunities are available to the communities, and the ability of development corporations within the different regions have the adequate resources and opportunities to take on these large, potential projects within different ridings and regions.

The other concern I have is in regard to the whole area of corporate taxes. I know the whole idea of increasing taxes is a scary thought, but I think everyone sees it when you get your paycheque as to where a majority of those taxes are taken off. In relation to corporate taxes, there have been a number of years we have not looked at the possibility of seriously looking at a potential of increasing tax revenues.

In regard to the mining tax with the diamond industry where you are talking billions of dollars, I believe that is one area this government has to seriously look at, to ensure the maximum benefit to this government and to the people of the Northwest Territories, as to where these resources will come from, to be there to offset those costs associated with any development anywhere in the world or in the north for that matter.

I thought when I mentioned the costs which are associated with development in the whole Beaufort Sea area, where I grew up and spent a number of years working, in regard to the oil industry, you do not see the implication of the developer until after it is long gone. There are going to be problems associated with that development, current and future, regarding the impact it will have on the communities and the region. There has to be a mechanism there to ensure those revenues are taken from those resources, a portion of it left behind to ensure when the good times are gone and the bad times are left, there are some revenues to deal with the social problems associated with these developments and the stress and duress of the communities who do not have the economic opportunities they had before. I am talking in relation to the oil

Page 560

and gas industry in the Beaufort Delta region where it has been almost 20 years since we had the boom/bust scenario take place. We do not see any light at the end of the tunnel for anything happening soon.

There has to be some sort of system in place to ensure the federal government lives up to its obligations when it allows these activities to take place. In regard to large scale developments such as the diamond industry in which they receive all the royalties from the north today, there has been an effort made by this government and the whole idea of ensuring those benefits are given to the communities and the people that it will affect the long term. It is not a boom/bust scenario where basically you ravage the land, take what you can and get out. There has to be a mechanism there to ensure the long-term costs associated with these developments are also protected to ensure the well-being of the north in the future. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko. I guess increasing any form of revenue may have very omni-formula financing agreement. Mr. Todd, do you want to respond?

**HON. JOHN TODD:**

Mr. Chairman. I will wait until everybody concludes their general comments, if they would like. Then when we can get into detail, I would be only too happy to answer questions, at that time. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. General questions from the floor. We are dealing with the finance detail. Do you agree? I will allow the Minister to respond and then go into detail, line by line. Do you want to respond to Mr. Krutko? No. Operations and maintenance, total operations and maintenance. Mr. Krutko.

**MR. KRUTKO:**

Order, Mr. Chairman. I thought the process was we raise our concerns in relation to this department, where the Minister was going to reply to our opening statements. That was the way we were proceeding to date and I would like the Minister to reply.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have asked the honourable Minister to respond if he wished to and he declined at this time. Mr. Minister.

**HON. JOHN TODD:**

Yes. My apologies, Mr. Chairman. Maybe I misunderstood because the rules change daily here.

What used to be rules yesterday are not rules today. Let me first of all respond to my colleague with respect to taxation particularly, what commonly are known as the sin taxes which are on cigarettes and alcohol.

We have, I am told by my very competent staff, the highest tobacco taxes in the country. We generate somewhere in the region of about \$17 million on an annual basis on tobacco taxes. The danger of increasing the tobacco tax any higher than what they currently are, would be a real tendency, we believe and other jurisdictions have found out, for smuggling. It would be highly lucrative. In fact there was, if you recall, some charges laid, I believe in the Iqaluit area, where there was some smuggling which took place. I would be reticent on the sin tax to add any additional dollars.

Just for clarity purposes, if we increased the tobacco taxes five percent, it would bring us about \$750,000. There is a serious concern out there with respect to smuggling. As I said and Mr. Setchell points out, our taxation is the highest, repeat the highest, in the country. In some cases it is six times what some other provincial jurisdictions are. The temptation for smuggling would be immense. I would not want to put this government and the territories in that position.

On liquor revenues, again, I am advised our net profit is about \$16 million. All liquor net revenues go into general revenues and, of course, they are reallocated through the envelopes and we have debated this before. We do not designate the liquor revenues for this. We designate some into general revenues. Based on the overall general revenues, we allocate to envelopes like the social envelope, who looks after alcohol related issues my colleague, Mr. Krutko, spoke to. I think we all recognize the impact that has both on the criminal judicial side and on the wear and pain it inflicts upon the people we represent and the families across the territories.

On the other taxation, with respect to corporate taxes, I am fundamentally of the belief that at this time it would not be appropriate. We are trying to find creative ways to provide incentives for corporations to reinvest their money. It would be fair to say with the current climate of downsizing the government and of the price of gold and some of the impacts that has had, not only in this town, but in other parts of the territories, I am a fundamental believer in incentive approach to development, not punitive. I would have some reticence at this time to even suggest we even be taxing the corporations. There may be a case for

diamonds. I think I have said that publicly because of the degree of profitability and the wealth it is going to bring to its stakeholders, its investors and hopefully this country. We are investigating that. We are looking at the options there. It would be important that I say that out loud today. Overall, I think we would like to keep the corporate tax where it is. It is relatively competitive, I believe, sitting around second or third in the country, I am not sure. Third lowest in the country. I am sort of reasonably comfortable with that.

I am well aware of the dilemma of development like what took place in the Beaufort area and some of the havoc it created when it collapsed. I have seen it myself in the 70s when I was up in that area. We have to guard against that. There is no question about it and the huge expectation that both the business and local community had. We need to find the ways and means to guard against that and the current multi-million dollar ventures that are currently underway in the country whether it is in diamonds or whether it is in a fair amount of oil and gas exploration in the Sahtu Fort Liard area. I am encouraged by that. It is a good sign and I think the community seemed to be very active in that area with industry. I do not know if I answered all the questions, the important ones anyway that relate to the revenue side, at this time. Mr. Chairman. An increase in taxes is not the practical and the philosophical way to go, whether it is in the sin taxes which

Page 561

would encourage smuggling or whether it is in the corporate taxes which would be a disincentive for additional equity investment in the country. It is kind of contrary to some of the things we have put forward in the budget, particularly in the tax credit investment initiative. I hope I have answered the questions my colleague asked.

What else did he ask? The P3. I have talked extensively about that issue. I am glad to see my colleague is supportive of it. I do appreciate that support. It is a new venture for this government even though it has been done in other parts of the country. I have said consistently we have to make sure it is transparent. We have to make sure the communities and aboriginal organizations get active in this initiative. It has to be affordable.

This sort of gives me an opportunity to express a personal concern I have with respect to the public perception on P3. There is a growing feeling out

there it is going to solve all of our problems. I want to caution everybody. I see the P3 as just one small part of trying to bring some of the infrastructure needs of the Arctic communities back to where it originally was two years ago. It is not a be-all, end-all. It is not some big panacea where we are going to go out and spend hundreds and hundreds of millions of dollars. There is an affordability issue. There is going to be a fairly stringent criteria for selection, let me repeat that, of projects. There has to be payback somewhere, whether it is in the savings to the government, whether it is in the creation of new job and economic opportunities. I would like to caution as it gives me an opportunity to caution everybody that when we look at the Public/Private Partnerships, you have to look at them with a certain conservative approach to it. I guess, that is the best way to put it. I think that is it. I am not sure. Okay. Thank you.

**CHAIRMAN (Mr. Ningark):**

Mr. Todd, you stated a rule change here daily. Rules do not change. Processes may vary from day-to-day. There are times at the beginning of the general comments and questions we ask, sometimes Members request at the end of the questions from several Members, then the Minister will respond or immediately after a Member has asked. Implying a rule change daily, adds insult to the committee. Mr. Todd.

**HON. JOHN TODD:**

I did not mean to insult the committee, but I am telling you the procedure changes daily. With all due respect, Mr. Chairman, sometimes it is a little difficult to understand, that is all I was saying. Nothing else. The procedure, nothing else. That is all the comment I was making.

**CHAIRMAN (Mr. Ningark):**

But you have stated the rules change, but the written rules will not change here. For the record, Mr. Krutko, you made a good point, but you do not have a point of order. You made a good point though. Okay. Thank you.

Operations and maintenance, total operations and maintenance is \$1.007 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Agreed. Thank you. Mr. Krutko. Thank you. Again, I repeat total operations and maintenance is \$1.007 million. Do we agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Treasury on page 3-7, operations and maintenance, total operations and maintenance is \$6.327 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 3-8, fiscal policy, operations and maintenance, total operations and maintenance is \$701,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, my questions are in regard to policies governing taxation and, in particular, what it is used for. Mr. Chairman, I think everybody is aware that for many years there has been concern expressed by the public that a tax identified, for instance fuel tax, tobacco tax and whatever, the government in turn does not use the specific revenue for the purpose it was taxed. In this particular situation I am referring to fuel tax. I understand the fuel tax, and the Minister can correct me if I am wrong, but it applies to highway fuel tax. Is that correct?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

My colleagues advise me that the fuel taxes are for diesel, gas, aviation fuel, et cetera.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, how much of this fuel tax is actually directed back into maintenance and repair of highways?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Like all taxes, whether it is a sin tax or known as sin taxes, these taxes and fuel taxes all go into general revenues and are reallocated. They all go into general revenue and are added to the overall fiscal pot of the government and redistributed by budgets, et cetera. We do not take the fuel tax and specifically allocate it to the maintenance of the highways or the building of new highways. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. In that case, then, why do we call it a fuel tax? Why do we not just raise the income tax or raise other taxes? If we are going to apply it to fuel and only on highways, I do not understand the purpose of it. Why is it called a fuel tax if it is not used for the purpose of maintenance of highways?

Page 562

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Because we tax fuel and it is used in terms of generating revenues for this government in its overall budget projections. It has been there for as long as I can remember. It is a fuel tax. It is like we have a liquor tax, a cigarette tax or personal income tax. It is a choice of the government where it puts its taxes. It could remove all these taxes and put on personal income tax, I suppose. That would be an alternative. We want to ensure that the consumer who consumes more of the product pays the taxes. That is one way to put it. Certainly it would be that way with the

cigarette and liquor taxes. There is no deep philosophical reason for one tax versus another. It is just the overall tax. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Mr. Chairman, is the Minister then saying that the public is under the wrong impression that because fuel tax is taxed as fuel, it is not necessarily true that particular amount of money paid is necessarily going to be used to repair the potholes that he is experiencing while he is driving down the road. Therefore, it is identified by commodity rather than for purpose. Is that correct?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

My deputy minister, Ms. Melhorn, advises me that we generate about \$16 million in fuel tax. I am not sure what the dollar value is in terms of actual investment in new roads and repair of the roads but I know that the Department of Transportation's budget is somewhere in the region of about \$86 to \$90 million on an annual basis. I do not know, off the top of my head, how it is divided up but Mr. Antoine could probably give me a ballpark figure of what we put back in the highways and roads. We generate \$16 million which we then put into general revenues which are then calculated in our overall fiscal framework and then is redistributed, as other taxes are, through the envelope system. At the end of the day, the fuel tax is not necessarily specific for reinvestment in the roads as Mr. Steen is suggesting. He is correct. The people are correct.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen, Mr. Todd has implied that if you want more detail Mr. Antoine, the Minister of Transportation, could provide you with that. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. I will do that. My second question is dealing with comments made by the Minister about corporate taxing and possibly taxing the diamond industry. I have heard in the past, the



Minister said in this House, I believe, that he intends to bring in a tax that would choke a mule, if I remember correctly, if the diamond industry did not respond favourable to the government's concerns. Considering that this is the last budget of this Assembly, if there is no opportunity to choke that mule in here when are you going to be able to do it in the future, Mr. Minister?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Frequently in my political career I have made statements that have come back to haunt me and this must be another one. What I was trying to say at the time when I made my comment on taxation, I was trying to demonstrate to all who heard it and obviously all heard it, the seriousness that I placed on the need for this government to get a reasonable share of the benefits accrued from the nonrenewable resource industry, specifically diamonds. Taxation is one means in which this government can generate revenues that it can bring in and redistribute, in consultation with the Members of this House, back into the constituency at large. When am I going to bring in a tax, if I bring in a tax? Sensitive discussions are underway right now, as I believe my colleague knows, and we are trying to reach an amicable arrangement with the industry and some of the additional economic spinoffs that we think are necessary for northerners in the diamond industry. I am hopeful we will be able to come to some resolve on that. However, should there be a requirement for a tax that would bring about new revenues for the Western Territory and the future eastern territory, I still believe we have ample time to do that before the end of this illustrious time in this Assembly. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. I thank the Minister for that response. I would like to ask one other question of the Minister with regard to taxation. I understand that in other jurisdictions and in particular the United States, the average citizen can now claim mortgage payments on their tax statements. In other words, they can show it as an expense on taxes. Obviously

this would benefit all people of the Northwest Territories. I wonder if the government would give any consideration to this if the government was in favour of this move? Could the government open some kind of discussion with the federal government on this possibility? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen. Your ten minutes is up. Mr. Minister.

**HON. JOHN TODD:**

There are huge ramifications, both fiscal and other, out there with respect to that kind of initiative. My understanding is this does not occur in Canada and never has. It does occur in the United States, Ms. Melhorn advises me. I would be prepared to take a preliminary look at it, but I think that at this stage of the game it would be very difficult because the federal government plays such a key role in our fiscal framework and it would require some discussions with Mr. Martin. I am prepared to take a preliminary look at it. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Todd. Fiscal policy. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My concern relates to the senior property tax exemption. A lot of seniors in my riding come to me when they receive this tax assessment in the mail. They react to it as if it is a bill and every year you have to walk them through the process of filling out an application to apply for the senior tax exemption. Is there a way that they could somehow streamline it so these people

Page 563

are in the system then every year instead of having to apply for it? Is there any way that they can look at the possibility of finding a mechanism where you know that these individuals own their own homes and the property that you are talking about and these people have had this same residence for a number of years, the same address, the whole works. Is there a way so that they do not have to go through this burden every year? They have to run around, go to the hamlet, get them to sign a thing, get the Commissioner for Oaths to sign the document. For myself, I have had to deal with a lot of these cases in my riding where a lot of elders are upset and they

figure that, you know, how come they keep getting these bills. They think it is a bill, but really they are exempt but they have to fill out this other documentation to go along with it. So, is there a way of somehow looking at that to see if we can streamline to make it easier on the elders?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Yes, just for clarity purposes, it is administered by MACA but I will undertake to hold discussions with them and see if there is a way to just make it automatic. Certainly, anything we could do to assist the elders of the territories we would be only happy to do. So I will undertake to take on discussions with my colleague, Ms. Thompson and her department and see if there is some way we can assist them to streamline this so it becomes, as my honourable colleague says, automatic and does not require continual form filling in. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Fiscal policy. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. If possible, I think that a similar process should be looked at regarding the fuel subsidy. It basically runs on the same thread where they have to apply every year. If you can approach the Minister of Education on that matter and see if there is a way that they can look at that one also and streamline it so that they do not have to apply on this every year.

**CHAIRMAN (Mr. Ningark):**

Mr. Minister.

**HON. JOHN TODD:**

I would be prepared to, as again, it is administered by another department as you know. I will look at my counterparts or my colleagues in seeing if there is some way we can streamline both of these issues. I am not making any promises but what I will say is that we will look at it. I think there is some validity in my honourable colleagues questions here in terms of the forms and the frustration that the elders may feel. We will see what we can do.

**CHAIRMAN (Mr. Ningark):**

Thank you. Fiscal policy, operations and maintenance. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Something just occurred to me here. The Minister's response to me is still the identification of a tax as by commodity and not for purpose. Why is there no fuel tax when you do not drive on the highway? In fact, it only applies to the highway.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

I perhaps did not explain myself as well as I should have. There is a tax on off-highway fuel, but it is lower, I am advised by Mr. Setchell. As well, we have an aviation tax for the airplanes, et cetera. So there is a tax, but it is lower. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

So, Mr. Chairman, if the money is not used for the purpose of highways, why is it higher when you are driving on the highway than if you do not drive on the highway?

**CHAIRMAN (Mr. Ningark):**

Thank you. Perhaps we are speaking of assured tax, Mr. Minister.

**HON. JOHN TODD:**

My colleagues are advising me that there is a bit of a philosophical reasoning for some of this. Of course, for those people who do not have highways and off-highways, the costs are usually more expensive. Therefore, there is a lesser tax and, of course, those who do have highways, pay the higher price because they have highways.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. If I could switch back to the suggestion of a tax reduction by housing mortgages. Now I am not talking about general mortgages. I was suggesting that people who are paying mortgages could show them as an expense on their yearly tax. I believe it is applied in the States. Considering the fact that we are trying to encourage people to buy their own houses, I do not understand why this would not be beneficial to the government. I appreciate that we would probably collect less tax, but it seems to me that this would serve to encourage people to purchase their own homes. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Well, Mr. Chairman, of course, anything we do with taxation which relates to this kind of initiative would require, to some extent, federal concurrence in terms of the operation. As I indicated to an earlier question raised by my colleague, Mr. Steen, I am prepared to look at it and take a cursory look as to whether this has the kind of value that Mr. Steen is talking about to see if, in fact, there would be any room for us to move it forward. I would caution everybody by saying that it really would require the concurrence of our counterparts at the federal level. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. We are on page 3-8, fiscal policy, operations and maintenance, total operations and maintenance, \$701,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Krutko is indicating he wanted to speak but Mr. Roland is also indicating. Since Mr. Roland has not spoken yet, at this time I recognize Mr. Roland.

Page 564

**MR. ROLAND:**

Thank you, Mr. Chairman. Can the Minister tell us what is the normal practice of tabling the Formula Financing Agreement?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Ms. Melhorn advises me it is required in the Financial Agreement Act that we tabled the formula financing arrangements. We tabled this last one, which has taken us over two years. It is not unusual, by the way, to sign off because we had some differences, as you know. Apparently the one previous to that was tabled. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Roland.

**MR. ROLAND:**

Thank you, Mr. Chairman. So you are saying, that was going to be my next question, what is the normal timeframe of one? For example, you mentioned in your opening remarks that hopefully by sometime in March the federal government will be looking at the Formula Financing Agreement to see if it is acceptable or whatever. When will we see that tabled in the Assembly, the new one, yes? Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Well again, we do not have a time frame at this time for signing the agreement. We are in the thick of negotiations, as they say. I have said in the House on frequent occasions that my optimistic side says I would like to see some agreements in the terms of the levels of financing, hopefully sometime in the end of March or April. You have to work out some of the fine details, Ms. Melhorn is telling me, to do the drafting, et cetera, because it is a fairly extensive document. Then it has to be signed by both governments and then it is tabled. So with a bit of luck maybe in the spring or fall of this year. Thank you.

**CHAIRMAN (Mr. Ningark):**

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

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is regarding aviation fuel and where there seems to be a real increase in the price of the fuel plus tax, now, with

NAV Canada coming down with possible increase and charging. At the end of the day the consumer is the one who is going to end up paying. Is there a possibility of looking at the whole aviation, the way they are presently being taxed and all these other implications to the cost of transportation in the north, majority of that by flying. This is one area that could be beneficial to the residents of the Northwest Territories by bringing down the cost of airline tickets and what not. Will the Minister look at the possibility of looking at the whole aviation industry regarding the way that they are taxed? If there is a way that we can take and count the pressures on that industry and also the increasing costs to that industry because of these other associated fees are being charged to them regarding the NAV Canada phase. Then also regarding the fuel tax.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Well, I think my colleague will be surprised at the answer. The aviation tax has not changed since 1983 and it is only one cent a litre. I am surprised myself. There has been no significant change and it is a cent a litre and I think it is highly competitive, if that is the right word, in terms of other jurisdictions. There have been no changes for 10, 14, 15 years. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I was talking in regard to the increased cost of the aviation fuel itself, which has had a barrier in regard to the cost of not only the operator of the aviation company, but to the consumer.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Well, of course this would be a wonderful opportunity to say something but I will not. The cost of fuel really is dictated by world prices, whether it is the private sector or the government purchase based on that. One of the few areas where I think we were trying to demonstrate that there could be some faint savings

was in the delivery side of things. Really, the cost of fuel itself is bought on the world market. I believe even the last time in the eastern Arctic it was actually bought offshore. So we have very little influence over the cost of fuel. The only primary influence we have, which I think we were trying to get to many months ago, was on the delivery costs in one particular area that will remain unmentioned. Anyway, the reality is that we have no say in the world price of fuel. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Fiscal policy, total operations and maintenance, \$701,000. Agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. On page 3-9, Bureau of Statistics, operations and maintenance, total operations and maintenance, \$863,000. Agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. On page 3-10, active positions, this is an information item. Agree? Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In relation to the positions in the Department of Finance, regarding the affirmative action policy that is in place, has there been an increase in regard to the aboriginal numbers within this department?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister, if you want to designate a response to one of your officials, that is up to you.

**HON. JOHN TODD:**

Thank you. Mr. Chairman, our total operational percentage versus the total staff is 19 percent. I do not know if that is an increase from the year before. I believe I said in the House earlier that we have to table in the House our affirmative action stats. At that time I will ensure that there is some comparison from last year and this current year. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Active positions, information item, page 3-11, Liquor Commission Revolving Fund, an information item. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I believe Mr. Krutko mentioned this before to some degree. The tax applicable to liquor and an overall expense or a revenue to the government through the Liquor Commission Revolving Fund, is that going to be at some point where people will have an option to have another look at the liquor laws?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

There was extensive work actually done by, I believe the researcher of the day was Alan Downe, I think. Extensive work was done, I think last year and the year even before, with significant community consultations on the changes to the Liquor Act and the legislation. Again, as I think I said to my colleague earlier this week on the Workers' Compensation Board, there is such a limited amount left in terms of what legislation we can bring forward and get it through. If my memory serves me correctly, Mr. Downe was working closely with Mr. Kakwi on the need for some changes in regulatory reform. He may try to incorporate some of the changes that we want and the liquor regulations. Now I stand to be corrected on that, but he may. I know there was extensive work done on the need for some change in the Liquor Act, et cetera. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. On the Liquor Commission Revolving Fund, Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I would like to be specific. There have been suggestions that a lot of the problems related to liquor in the communities could be offset, to some degree, if communities were allowed to have outlets whereby they could apply a tax over and above what the government charges. That money would be used to offset problems with liquor by being able to create other activities or build infrastructure that would allow people to have other activities rather than just sit at home and drink. A lot of people thought this was quite a good proposal to allow hamlets or whatever, to have the ability to tax liquor over and above what the government charges. That was what specifically I was referring to. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Steen. Mr. Minister.

**HON. JOHN TODD:**

I confess, I do not have the details of the some of the changes that Mr. Downe was suggesting after community consultations on the Liquor Act. I will speak with him tomorrow and get an update on that and provide my colleague with where that stands. Unfortunately, I apologize, I do not have that answer today. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Liquor Commission Revolving Fund, information item. Agreed? Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In regard to the monies that are being spent in relation to the commission itself, somewhere in the range of \$2.77 million basically to run the commission, those costs are borne through the sale of the alcohol itself. Is there a possible way of allowing a small percentage of that to be given to a non-profit society or organization which works in the area of the alcohol and drug abuse field? There was a big debate in Inuvik because of the plans to expand the liquor store, but at the same time shutting down the alcohol treatment centre, Delta House because there was no money for that. I would like to know if there is a possibility of looking at that in regard to identifying the percentage of the overall profits which presently is being consumed by the Liquor Commission itself?

**CHAIRMAN (Mr. Ningark):**

Thank you. Are we looking at the expenditures here, Mr. Todd?

**HON. JOHN TODD:**

The short answer, Mr. Chairman, is no. We cannot do that. I think there is a relationship between consumption of alcohol and the problems associated with it. Everybody understands that. The revenues generated through the sales of alcohol, like the sale of cigarettes and like the other taxes, all go into general revenues. I cannot see where you could specifically take it from here to put over there. It has to go back into the system. The system then determines what the overall budget of the government is. The Ministers, the Finance Minister, Cabinet and FMB decide, in consultation with committees, how the money is going to be distributed to the envelopes, et cetera. Everybody has to, as they say in the world of politics, duke it out to get their share based on whatever philosophy that is there. While I can appreciate where my colleague is going with this line of questioning, the answer to him, unfortunately, would be no.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. In light of division looming around the corner in a little over a year, is there a possibility to look at this in the context of there being two Liquor Commissions? One for the east and one for the west and remapping the way funds presently exist, in regard to the way it is being distributed through the Liquor Licensing Board or basically taking a serious look at identifying exactly how these funds would be allocated in both territories after division?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

The intent, of course, is to have two Liquor Commissions. The revenues that we generate would be based upon the consumption in each of the territories. It is not a question of taking these revenues and saying we are going to split them here and there. If you have two separate

entities and you have X consumption and there is X revenues generated from it, that government would get those X revenues. The new Finance Minister of these two territories would assign that as part of the revenues when they look at their overall fiscal requirements, and where they are going to find the monies besides the grant from the federal government. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 3-11, information item. Agreed? No? Mr. Rabesca.

**MR. RABESCA:**

Thank you, Mr. Chairman. I would just like to go back to the active positions. I am quite concerned, what might happen when Nunavut comes to be and the number might change in the future?

**CHAIRMAN (Mr. Ningark):**

Thank you. Do we agree that we go back to page 3-10, active positions for the honourable Member? Agreed? I do not hear any agreement. Do we agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

We will have a plan, Mr. Chairman, for Nunavut and in that plan we will identify the staff requirements in both east and west, the Footprints 2 model, I believe it is in there. I am fairly confident we will have two new commissions with the staff identified with respect to both requirements, east and west. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Active positions. Shall we move on? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Liquor Commission Revolving Fund. This is an information item. Do we agree on the page as we reviewed? Mr. Picco.

**MR. PICCO:**

On the active positions, I had questions, Mr. Chairman. Are we past that?

**CHAIRMAN (Mr. Ningark):**

Thank you. For the benefit of the honourable Member for Iqaluit, we will go back to active positions, page 3-10. Do we agree? I hear nay, but I will allow the honourable Member to ask. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Thank you, colleagues, for your indulgence. My question concerns the infrastructure report that we had given on the main estimates concerning the Department of Finance looking at taking steps to access training funds available to the NUHRDS Strategy, which provided funding for Nunavut training positions. In the Department of Finance there are none. I am wondering if the Minister has reacted or acted on that recommendation?

**CHAIRMAN (Mr. Ningark):**

Before I allow Mr. Todd, the honourable Minister to reply to the Member for Iqaluit, on behalf of Mr. Michael Miltenberger, who wrote me a note stating that the lady who has put up with Mr. Michael Miltenberger for 23 years, is sitting up there. Jeri Miltenberger, welcome.

--Applause

Welcome. Mr. Minister.

**HON. JOHN TODD:**

Yes, Mr. Chairman, Ms. Melhorn advises me that we turned those monies and that rollover to FMBS so we can get a more generic training program in place on the fiscal side. We felt they could fulfil the mandate sooner and more effectively than we could in Finance. They will be there. It is just that they are being trained in the FMBS. Thank you.

**CHAIRMAN (Mr. Ningark):**

Mr. Miltenberger, the introduction cost you two minutes. I think it is worth it. Are you okay? Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. No, I only had the one question on the training position. I thank the committee's indulgence for letting me ask that one question. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Information item on page 3-11 and 3-12. Agreed? Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I would like some clarification on two items here. Under expenses, it says other expenses, \$382,000. Then another one is under Liquor Licensing Board, other expenses, \$201,000. I would like some clarification on what those expenses are.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Minister, Mr. Todd.

**HON. JOHN TODD:**

On the LLB, Liquor Licensing Board, other expenses, those are board expenses, I believe, the \$201,000, travel and I would imagine, honorariums, office supplies and stuff like that. The \$382,000 are issues like travel, office supplies, telephones, utilities, advertising, insurance and a variety of normal operating costs. Thank you.

**CHAIRMAN (Mr. Ningark):**

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

**MR. STEEN:**

Thank you, Mr. Chairman. Did I hear the Minister say advertising?

**CHAIRMAN (Mr. Ningark):**

The honourable Minister, Mr. Todd.

**HON. JOHN TODD:**

We probably have advertising where we would have to advertise hearings and stuff like that and maybe

staff, I do not know. That is what I believe it is.  
Thank you.

**CHAIRMAN (Mr. Ningark):**

Are we in this program? Mr. Steen.

**MR. STEEN:**

I presume we are referring to advertising of positions and not advertising of liquor.

Page 567

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

I believe the overall expenditure is \$15,000. It would be for meetings, hearings and stuff like that. We have no role whatsoever in that marketing liquor period.

**CHAIRMAN (Mr. Ningark):**

Thank you. On the Liquor Commission, Revolving Fund. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I have a couple of questions on the warehousing issue under the revolving fund. My first question on the warehousing is one that has been asked before but I would like some clarification on it. It is on the reason for the liquor warehouses being designated as an essential service during the closure of all government offices during Christmas. What is the reason for that?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

The concern, Mr. Chairman, at the time was that during the festive season, whether we philosophically agree with it or not, there is a great deal of cheer that gets undertaken. The bars and the restaurants that create jobs and opportunities for northern people have a requirement to have access to the warehouses so that they can keep their facilities open, people at work and hopefully people enjoying themselves in a reasonable way during the festive season. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. My second question concerns the Iqaluit liquor warehouse. Last year during review of the department's main estimates, I had asked a question concerning the fraud case in Iqaluit with the liquor warehouse. At that time the Minister could not let me know what had happened because it was pending a court case. I understand that has now been solved but there has been nothing released to the media about exactly what had happened, where the person had gone and so on. I would ask at this time when we are looking at the Liquor Commission Revolving Fund how much money had been lost to the fund? Was there insurance carried and has the case been settled? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. This matter is still under investigation with the RCMP and it would be improper of me to comment any further. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Liquor Commission, Revolving Fund. Mr. Picco.

**MR. PICCO:**

For clarification purposes, can the Minister and his staff let us know how long this has been under investigation?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

I am told that the irregularities are in 1995-96. I am advised that on March 29, 1996, the general manager of the NWT Liquor Commission arrived in Iqaluit to conduct the year-end count and noticed initial evidence of irregularities. It has probably been going on for close to a couple of years. My notes suggest that I should make no comment because it is under



investigation and I am sure my colleague understands fully the implication of my comments. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, when the investigation is concluded can we have a commitment from the Minister that he would make that information known to this Member and the House so that the public at large know? I have had people ask me what happened with it, what is going on. It seems to me quite a long investigation if you go back to 1995-96.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Mr. Chairman, I will be only too happy to provide my colleague with the findings once the case has been concluded. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Information item, Liquor Commission Revolving Fund. Agreed? Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, can I get an explanation of what is the authorized fund limit of \$6.5 million?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

Mr. Setchell advises me that this is the limit that the commission can spend with respect to the acquisition of inventory, operational capital, working capital, et cetera. It is the working capital of the Liquor Commission for it to be able to do its job. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I am not quite clear why this is called a revolving fund. It shows a revenue of \$31 million and expenses of \$15 million. How is this a revolving fund?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Indeed it does revolve, Mr. Chairman. We give them \$6.5 million to run their operations and any surplus over and above that comes back to us. It goes in and it comes out. It is a revolving fund of \$6.5 million. Any excess on that \$6.5 million comes back to the government. It is a means in which to operate the commission and ensure there is adequate inventory, et cetera, for the public at large and, of course, the private sector in the bars and restaurant business. Thank you.

Page 568

**CHAIRMAN (Mr. Ningark):**

Thank you. I will allow Mr. Steen to ask a question but at this time I would like to recognize the honourable Member for Hay River, Madam Groenewegen.

**MRS. GROENEWEGEN:**

Thank you, Mr. Chairman. Mr. Chairman, I wish to draw to the committee's attention the fact that I have a controlling interest in a company, Greenway Holdings Limited, which leases to the headquarters for the NWT Liquor Commission. As such, I would like to declare a conflict, withdraw from the debate. I would also like the record to reflect that I have just entered the Chamber and have not been present during the debate on the NWT Liquor Commission. Thank you, Mr. Chairman.

--Applause

**CHAIRMAN (Mr. Ningark):**

That conflict is noted. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Since you recognized me, I will make the comment that there seems to be a lot more going in then there is coming out of this thing.

**CHAIRMAN (Mr. Ningark):**

Thank you. That was a comment. The Liquor Commission Revolving Fund and information item. Do we agree on this page?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Page 3-12, active positions, Liquor Commission Revolving Fund and information item, also. Do we agree on this page?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Going back to program summary of the finance, operations and maintenance, total operations and maintenance, \$8.898 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you. Total expenditures. Mr. Steen.

**MR. STEEN:**

Mr. Chairman, I am lost here. What page are we on?

**CHAIRMAN (Mr. Ningark):**

We are on page 3-5 of the 1998-99 Main Estimates. Mr. Steen.

**MR. STEEN:**

Mr. Chairman, somehow I missed page 3-13. Could I ask the Members to return to revenue items, page 3-13?

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member is requesting that we go back to 3-13. Do we agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Thank you, honourable colleagues, for the opportunity to return to this item. My question is related to the top item, the grant from Canada of \$826.315 million. I would like to ask the Minister, or to remind the Minister that I requested information on this item, a breakdown of what exactly this is and what it represents by department. I believe I asked for this particular item when we were discussing the budget in general. As a matter of fact, it was the Budget Address. It showed there the amount of money that were expenses in graph form but I was wondering how this item could be explained so that I could understand exactly how much money is coming into this government from the feds for what specific purpose. I have not seen that information yet, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

I will answer two ways. Mr. Steen did ask me the other day while I was up with FMBS. That was two days ago. There is a significant amount of work to go into what he is asking. On this grant thing, I am going to ask Ms. Melhorn to explain it because I do not think we can break it down. It is a grant.

**CHAIRMAN (Mr. Ningark):**

Thank you. Ms. Melhorn.

**MS. MELHORN:**

Thank you, Mr. Chairman. The money that we get from the federal government under the grant from Canada is what is referred to as an unconditional payment. That means the money comes to us to do with what the Government of the Northwest Territories deems their priority. There is no breakdown. There is no requirement under it that the Government of the Northwest Territories spend that money on any particular department or program. It is up to the Legislative Assembly of this government to determine how that money is spent. There have been, from time to time, program transfers that have gone into the Formula Financing Agreement and do result in an increase in the grant such as the transfer for health, forestry, airports and so on. With respect to the Formula Financing Agreement, once that funding has

been rolled into the grant, again, it just becomes part of this unconditional payment and there is no requirement that the money be directed to any program or any department, that is up to the Government of the Northwest Territories and the Legislative Assembly of the Northwest Territories.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. There would be no way we could find out then exactly how much money was in the transfer agreement for say forestry or how much was for Arctic airport maintenance? There is no way we can find that out?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

I made a commitment to my colleague that I would try to identify as much as I could where the transfer payments came over the years. Some of these transfer payments go way back, health, forestry, et cetera. As I get them my honourable colleague will receive the copies of

Page 569

them. What Ms. Melhorn was saying is once the transfer takes place, let us take the last one for example, which was the Arctic A airports, I believe it was something like \$24 million to our base, once it takes place, even though the agreement was specific to airports and it gets put into the grant, it then becomes an unconditional grant. That is what Ms. Melhorn was talking to. On the issue of the financial transfer arrangements that we made with different federal government departments, I am working on that right now. I am not sure how long it will take to get all the information that my honourable colleague has asked, but once I have it he will receive it. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, this includes money for aboriginal education?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Minister.

**HON. JOHN TODD:**

I am advised by Ms. Melhorn there was never a specific transfer of dollars for aboriginal education. This issue that my colleague is alluding to goes back to the late 60's and early 70s. As far as myself and Ms. Melhorn are aware, there was no specific grant that was transferred to this government for aboriginal education. Ms. Melhorn and myself will double check on that but we are fairly confident that is a fairly accurate statement. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, does this figure include transfers for health for aboriginals?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

I suspect it probably does. The health transfer took place in 1988. I would have to look at that transfer. I am working on that. It was ten years ago. I am working on trying to identify these documents, and it will take a considerable amount of time, energy and money to pull this together but we will pull it together and provide the honourable colleague with it.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, if the government has the ability to spend this \$826 million as they see fit as the witness stated, then why is there a difference between certain health benefits to some people and not to everybody?

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Todd.

**HON. JOHN TODD:**

Well, I would ask that my honourable colleague ask that question to the Minister of Health. I do not know the answer to that question. I am the Minister of Finance. It is not a detail that I would have at my fingertips and I am prepared to get that information. Some of this stuff is 10 to 15 years old and you know, we need to take a look at it. I am trying to be as cooperative as I can, but I was asked two days ago about this issue. I cannot produce 15-year old data, 10-year old data overnight. It is just simply, not done. I will get the information that my colleague requires as quickly as I can and I will look into his concern. If he has any others, maybe he should tell me now, so I am not going back and forth. I would go back to my honourable colleague and say, could you be much more specific, does he have a concern about where the government historically received its money, and I think what he is saying to me and was it specifically designated for aboriginal people? Is that what my honourable colleague is trying to get to in terms of the overall question?

**CHAIRMAN (Mr. Ningark):**

Thank you. Do you want to be more specific Mr. Steen?

**MR. STEEN:**

Well, Mr. Chairman, I think I identified to the Minister previously and it was not just a couple of days ago, this was when he presented his budget, I believe, 21st of February, somewhere in that area. Anyway, my specific concern is, I would like to know just how much money was transferred for aboriginal people for the purpose of health, for the purpose of education. I would like to know how much money was transferred for maintenance of Arctic airports and if, in fact, we are using that money for that purpose. I would like to know how much money was transferred for forestry and if, in fact, we are using it for that purpose. That was my question.

**CHAIRMAN (Mr. Ningark):**

Thank you. I have two more honourable Members who wish to ask question or make general comments. I will recognize Mr. Steen one more time after this. Mr. Todd.

**HON. JOHN TODD:**

I have said very clearly to Mr. Steen that I will endeavour to get the information he requires, but I did

my budget on the 26th or 27th of January, which was four or five days ago. Surely, he is not suggesting here and now that I have all this information at my fingertips, when some of it is 10 to 15 years old. We have got people working around the clock on pay equity and everything else that is going on here. I am making a genuine effort to provide him the information, but I cannot define in this House right now, the depth of that kind of information. When I can provide it, I will make the effort to do that. I will make the commitment again, but I do not know when I can get it done. I will certainly endeavour to do it as quickly as I can and I do not think you can expect any more than that. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I am not trying to make work for the Minister. All I am trying to do is find out if we are in fact spending money for the purpose it was given us. That is all.

**CHAIRMAN (Mr. Ningark):**

Thank you. I believe Mr. Todd has stated he is endeavouring to give details and they will be provided to the Members. Mr. Todd.

**HON. JOHN TODD:**

I think it is very important, I say to Mr. Steen now, I know where his line of questioning is heading. I

Page 570

think it is important that he fully understand that once it gets into the formula grant, the Legislative Assembly votes on that money and determines where it is spent. And while we may have money for Arctic A airport transfer, that says we are going to give you \$24 million to run the Arctic A airports, once it goes into the grant, there is no federal requirement or condition set on how that money is spent. This Assembly, the Cabinet and the FMB determine that. I think he has to understand that. In the meantime, I will endeavour to get the information he requires. He has to understand that it is in the context of just what I have said. There is no requirement once it is in the grant. If you get X amount of money to do X amount of work, that remains there on a consistent basis. How could you manage government that way? The reality is governments have crises and governments have

shifts in the way they spend their money because of a variety of conditions. It could be economic slumps, it could be economic opportunities, it could be catastrophes, et cetera. It all comes out of the pot at the end of the day. Again, I repeat it, I will try to get as much information as I can, but I qualify it by saying there is no requirement on this legislator, this government or previous government to spend the money where the transfers have occurred once they go into the grant from Canada. Thank you.

**CHAIRMAN (Mr. Ningark):**

I have on the list honourable Members who have not spoken during the review of this particular summary. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. My question is in relation to the payroll tax, the revenues indicated here are \$12.570 million. What I would like to know is, is this net revenue or gross revenue?

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Minister.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. These are gross revenues and then there is a territorial tax credit that rolls in. I think it is somewhere around \$11.5 million or \$11.2 million for 1995. What I have here is, in rough numbers, we take in \$12.5 million. Our tax credit over 1995-96 was in the \$11 million-plus range, so the net impact of the government of the value of the administration of it, I suspect, as I have frequently said, is marginal. Thank you.

**CHAIRMAN (Mr. Ningark):**

Thank you. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I seek unanimous consent to extend the time to conclude this area.

**CHAIRMAN (Mr. Ningark):**

Thank you. The honourable Member is seeking a unanimous consent to conclude this item to extend the sitting hour. Do we have any nays? We have several nays. I guess we are running out of time. I will recognize the clock and report progress. Thank you,

Mr. Todd and witnesses. I will rise and report progress.

**MR. SPEAKER:**

The House will come back to order. Good evening. Item 20, report of committee of the whole. Mr. Ningark.

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

**MR. NINGARK:**

Thank you, Mr. Speaker. Mr. Speaker. Your committee has been considering Bill 8, Appropriation Act 1998-99 and Committee Report 03-13(5) and would like to report progress. Mr. Speaker, I move that the report of the committee of the whole be concurred with. Thank you.

**MR. SPEAKER:**

Thank you. Seconded by Mr. Evaloarjuk. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Item 21, third reading of bills. Item 22, orders of the day. Mr. Clerk.

**ITEM 22: ORDERS OF THE DAY**

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

Meetings for tomorrow, Mr. Speaker, at 9 a.m. of the Standing Committee on Government Operations, at 10:00 a.m. of the Nunavut Caucus, at 11:00 a.m. of the Ordinary Members Caucus and at 12:00 p.m. of the Management and Services Board.

Orders of the day for Thursday, February 5, 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. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills

- Bill 5, An Act to Amend the Financial Administration Act, No. 2

- Bill 7, An Act to Amend the Territorial Court Act

- Bill 9, Loan Authorization Act, 1998-99

18. Second Reading of Bills

Page 571

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

- Bill 8, Appropriation Act, 1998-99

- Committee Report 02-13(5), Standing Committee on Government Operations, Report on the 1998-99 Main Estimates

- Committee Report 03-13(5), Standing Committee on Infrastructure, Report on the 1998-99 Main Estimates

- Committee Report 04-13(5), Standing Committee on Resource Management and Development, Report on the 1998-99 Main Estimates

- Committee Report 05-13(5), Standing Committee on Social Programs, Report on the 1998-99 Main Estimates

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

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

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

**MR. SPEAKER:**

This House stands adjourned to Thursday, February 5th at 1:30 p.m.

--ADJOURNMENT