



**NORTHWEST TERRITORIES  
LEGISLATIVE ASSEMBLY**

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**HANSARD**

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The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

Honourable Charles Dent, Mr. Erasmus, Honourable Sam Gargan, Mrs. Groenewegen, Honourable Stephen Kakfwi, Mr. Krutko, Mr. Miltenberger, Honourable Don Morin, Mr. Ningark, Mr. O'Brien, Mr. Ootes, Mr. Picco, Mr. Rabesca, Mr. Steen, Honourable Manitok Thompson, Honourable John Todd.

ITEM 1: PRAYER

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

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

Thank you, Mr. Miltenberger. Good morning. Orders of the day. Item 2, Ministers' statements. Mr. Morin.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 85-13(5): Territorial Public Service

**HON. DON MORIN:**

Thank you, Mr. Speaker. Mr. Speaker, as this sitting draws to a close, I would like to express my appreciation for the work of the members of the public service of this government. In the last few years, we have faced unprecedented change and challenge. With cuts to federal transfers, we have had no choice but to downsize, consolidate departments and reduce wages and benefits. We have decentralized and privatized some functions and transferred others to communities and boards. At the same time we have piled more work on fewer staff. With the creation of two new territories, and the implementation of new structures of government in the west, there are even more challenges on the road ahead. Yet through all of the change and uncertainty, we are surrounded by loyal, dedicated and hard-working staff. People who have and will continue to implement these tough policies and to make the changes work.

I had the opportunity to speak with a few of our managers last week, and I can tell you I was very impressed with their energy and commitment. Energy and commitment that I believe can be found throughout all levels of the public service. I would like

to take this opportunity to express my appreciation for the work of all of our employees, to everyone working for community governments and for our boards and corporations. Mr. Speaker, the time has come to stop the erosion of our staff resources. We need our workforce, both in the east and the west, more than ever as we face the challenges ahead. As Minister Todd stated in his Budget Address at the beginning of this sitting, our staff is our most valuable resource. It is time to provide some stability and certainty to these people.

To that end, I am pleased today to announce that for the remainder of its term, this government plans no more layoffs, either due to division or to department consolidations.

--Applause

Beyond that, we will also continue to try to find alternatives for those who have already been given notice.

We know the future western government will have to be smaller. With the creation of Nunavut, we may need to look at rationalizing some organizational structures. But as much as possible, we plan to do this through ongoing staff turnover, reassignment and voluntary separation.

Again, Mr. Speaker, let me repeat, there will be no more layoffs during the term of this government.

Our staff really is our most valuable resource and this government is committed to taking care of that resource, both for today and for the future. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Ministers' statements. Ms. Thompson.

Minister's Statement 86-13(5): Appointment of Nunavut Deputy Minister

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. Mr. Speaker, I rise today to congratulate my regional superintendent, Mr. Mike Ferris, on his recent appointment to the position of deputy minister, Community Government, Housing and Transportation for the Government of Nunavut.

Mr. Ferris has worked for MACA for 19 years, all in the Baffin Region. He is well known for his commitment, hard work and dedication. He has been a key member of the senior management team of MACA and is highly regarded by his colleagues at headquarters and in the region.

Mr. Speaker, I am particularly pleased with Mr. Ferris' appointment because he knows the Inuit and our communities well. He loves the land as we do. He enjoys hunting and fishing, as we do. In his home community of Iqaluit, he is a dedicated volunteer and plays a key role in his church and his community. Mr. Ferris is well known throughout Baffin for his commitment to emergency services. As a person who respects the power of nature and the land, he has always been very responsive to community emergencies whether they are search and rescue, fire response or emergency preparedness planning. He always does his very best to give all the assistance that he can provide.

Mr. Ferris has a well-deserved reputation as a person who works very hard. In a recent News North article, Mr. Ferris was identified for being in his office well into the evening, having put

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in another 13-hour day. This is typical of his dedication and commitment to getting the job done. I know that Mr. Ferris would be the first to say that any achievements he has made, have been made with the support of his team of excellent staff. I also know that his staff would be the first to acknowledge Mr. Ferris' excellent leadership and management skills.

Mr. Speaker, in closing I would like to say again how proud I am that Mr. Ferris has been chosen to be the deputy minister of the Department of Community Government, Housing and Transportation. I know his colleagues in MACA wish him all the very best in his new position. I invite Members of this House to join me in extending our thanks to Mr. Ferris for a job well done for MACA over the past 19 years, and our warmest congratulations and best wishes for every success in his new position in Nunavut. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Ministers' statements. Mr. Dent.

Minister's Statement 87-13(5): Educational Indicators Document

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Good morning. Mr. Speaker, I am pleased today to announce the completion of a document called Towards Excellence. This document includes information that can be used by parents, educators and departmental staff to determine where the Kindergarten to Grade 12 system is doing well, and which areas need improvement. Although the final printing will not be done for a few weeks, I have given advance copies to Members of this Assembly.

Towards Excellence covers 30 indicators. Included are, for example, types of programs offered in communities, the amount of money spent on education, qualifications of educators and the Grade 12 graduation rate. The information in the document is from the 1994-95 school year. The data in this report will provide a baseline against which the progress of our school system will be measured.

A second document, to be released later this year, will update the indicators to the 1996-97 school year and will include additional indicators of student achievement. Education, Culture and Employment is committed to publishing regular updates of Towards Excellence every second year. Similar reports will be published on post-secondary education.

**MR. SPEAKER:**

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

ITEM 3: MEMBERS' STATEMENTS

Member's Statement 355-13(5): Reflections on Budget Deliberations

**MR. OOTES:**

Thank you, Mr. Speaker. Mr. Speaker, today marks the end of our session to conclude the last budget for the combined two territories. From now on, there will be two separate budgets. I thought it would be appropriate today for me to recap some of the areas that have been of concern during the last month and a half that we have been sitting. One of the areas that I have dealt with is the economy of Yellowknife in various ways. One area of importance was the downturn in northern mining. I addressed that concern by trying to get the federal government to

address the gold reserves in this country. Canada is made up of many gold mines and yet Canada sold off its reserves. I was interested this morning in hearing a report that former Prime Minister Brian Mulroney is in Europe talking with the bankers there to try and dissuade them from selling off their gold reserves. So that was an interesting commentary I heard this morning. The other issue I had was the splitting of the Department of Indian and Northern Affairs, mainly because I feel that we need a concerted concentration on northern economic development and northern issues. The Minister does an excellent job, but she is overwhelmed with the Indian Affairs portfolio, and naturally so, and we should congratulate her and compliment her on her efforts there. We also need help here in the north, Mr. Speaker. The other item was the transfer of jobs to the north that are presently within the federal government departments. I was very interested again to hear on the radio this morning that the Department of Indian and Northern Affairs is addressing this issue and they are looking at ways and means by which this can be done. That was an excellent report on my part. Mr. Speaker, to conclude I would like to take a moment to thank the staff of the Legislative Assembly and the staff of the various departments of the territorial government for being understanding and of great assistance during this session and during our last budget together. Thank you, very much, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Miltenberger.

Member's Statement 356-13(5): The Need to Focus on Division Issues

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Mr. Speaker, as we are all very well aware and thankfully aware, the budget will be a done deal after today. I just want to state again that the issue now is division. Division, Mr. Speaker, and all issues related to division. As a western MLA, my focus is now going to be almost exclusively on making sure that the west is ready for division, that we are up and running and there is a smooth and seamless transition. We do have some joint housekeeping sessions left as a joint Assembly where we have to put through legislation and take care of that outstanding business to take us up to division. Very clearly Mr. Speaker, we have to focus on, as we run up to division, the issues related to the economy

and social programs giving a clear mandate and recognition that

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east and west will be deciding their own fate from here on in. The focus has to be division for the next year and only division as the main driving force for us. The countdown has begun in my opinion. We have lots to do and a long road yet to travel. Thank you.

--Applause

**MR. SPEAKER:**

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

Member's Statement 357-13(5): Budget Related Questions and Motions

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, the statement I would like to make today is in regard to ourselves as regular Members of this Legislature where there are times that we ask a lot of questions to the Cabinet and raise a lot of issues that affect our communities on a day-to-day basis. Those questions that we ask, are not questions that we just basically think about. Those questions come from individuals in our communities who call us, fax us and make us aware these concerns are real in the communities. I made a statement yesterday in the House in regard to the circumstances we find ourselves in a lot of small aboriginal communities, where there is a cycle of violence and death associated with that violence.

As an elected Member to this 13th Assembly, there are a lot of times we have debates and concerns raised in this House about the way government spends its money and the way we feel we have been treated from one community to the next, from the small communities versus larger centres. Those motions and questions that are asked in this House have to be taken seriously and taken in the context that we represent constituents as we are the voice of those people. Through those motions and different concerns we raise, hopefully, we will make it better for the lives of the people we represent in our communities. Things I speak about I have seen happen in different areas or communities in regard to pilot projects, block funding arrangements with large municipalities, one-time funds for different municipalities.

Most of all, there are certain feelings that I have of the different way, with division coming on, a lot of times the support I get in this House comes from my eastern colleagues. With that, I will be missing that support from the Members from the east. Mr. Speaker, I passed a lot of motions. There are times, especially with Cabinet Members feeling the frustration of motion sickness from this Member of this side of the House.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Ms. Thompson.

Member's Statement 358-13(5): NTI Hunter Support Program

**HON. MANITOK THOMPSON:**

(Translation) Thank you, Mr. Speaker. I will be talking in Inuktitut. I would like to make the statement about the concern that my constituents have voiced about NTI's delivery and monitoring of programs that are leading to inadequate management of Nunavut Land Claim Beneficiary Funds.

Mr. Speaker, the hamlet of Coral Harbour has recently protested the effectiveness of the Hunter Support Program and refused to participate on the selection committee. The constituents of Coral Harbour feel that its \$70,000 allocation can be better managed by the community. They believe that these funds can have a broader impact if used to develop hunting related businesses such as snowmobile, ATV rentals, a meat plant for the caribou harvest or a slaughterhouse for butchering meat and drying skins. Business ventures such as these are initiatives from which everyone can benefit as well as create more needed long-term employment. (Translation ends)

The goal of the Hunter Support Program is to assist hunters in maintaining a traditional hunting lifestyle. However, I have a deep concern about the program fully achieving this.

Mr. Speaker, in its current form, the Hunter Support Program is expensive to initiate and deliver and it benefits only a handful of people.

Mr. Speaker, I would like to seek unanimous consent to conclude my statement.

**MR. SPEAKER:**

The Member for Aivilik is seeking unanimous consent to conclude her statement. Do we have any nays? Ms. Thompson, you have unanimous consent.

**HON. MANITOK THOMPSON:**

There has also been little or no followup on the past recipients by NTI to evaluate if the equipment purchased under this program is still being used to assist hunters in maintaining a traditional hunting lifestyle. My constituents have reported that the cost of upkeep for snowmobiles and ATVs is beyond what most of the unemployed recipients of the Hunter Support Program can afford. In many cases, if parts cannot be found or purchased, then these new machines will sit unused, be sold or gambled off. Furthermore, some equipment is not even used for hunting purposes. Mr. Speaker, the current guidelines and implementation methods of the Hunter Support Programs leave NTI with little position to regulate this. This is a wasteful use of valuable resource, which should be managed better.

Mr. Speaker, there does not appear to be any set guidelines that effectively combine the flexibility required to meet the individual needs of each community as well as ensure the integrity of the program to maintain and free of being manipulated and abused.

Mr. Speaker, an effective communication and monitoring process must be established between NTI and the communities. NTI is not actively involved in ensuring the goals of the program are being achieved and that the community allocations are being dispersed fairly, economically and to greatest benefit of each community. As a result, the implementation of this program widely varies from community to community. Mr. Speaker, is it not in the mission statement of NTI, and I quote, "to ensure the greatest possible long-term benefit to Inuit from the agreement in a way which reflects Inuit goals, social, cultural needs and tradition within Canadian

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society."

Mr. Speaker, I do not believe the Hunter Support Program meets this objective. It has not been developed and implemented to its fullest potential to meet our cultural and traditional needs. The promise of greatest long-term benefits to Inuit will be demonstrated when the funding for this program is

managed and spent in a prudent and effective manner.

(Translation) Mr. Speaker, I commend the hamlet of Coral Harbour for voicing its concern about NTI's management of this program. Nunavut is not far away, and now is the time for the beneficiaries to begin questioning the effectiveness of NTI's program and financial management.

Mr. Speaker, I am relieved to hear that the Hunter Support Program is under review. I also urge NTI to re-evaluate all programs to ensure they fully meet the expectations of and the accountability to the Nunavut land claim beneficiaries. (Translation ends)

That Inuit have an opportunity to take part in this evaluation, because these are the programs that are meant to provide for and serve the interests of all Nunavut beneficiaries. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

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

Member's Statement 359-13(5): Treatment of Elders

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, most of the Members in this House would agree that as a group we have implemented many important policies and established a new direction.

In the case of Nunavut, we have followed a model, the model Footprints 2, which will erect a solid foundation and a platform for the future new government.

Mr. Speaker, we have listened to reports of special committees, asked questions, passed bills, ensured the i's are dotted and the t's are crossed. In the meantime, however, I believe it has been far too easy to lose sight of those who should have been upmost in our thoughts, those being the elders in our communities.

As a government, we have to ask ourselves if we have failed our elders. Speaking for myself, Mr. Speaker, I am of the opinion that as long as elder abuse continues to exist in any northern community, we have failed our elders as a government.

When our elders have no choice but to live in overcrowded dwellings, I think we have to ask ourselves as a government, is this fair?

Have we taken the time, have we explored the problems or have we studied the kind of programs that would allow this government to ensure the comfort and welfare of our elders?

Unfortunately, it seems the elders in our society often slip into the shadows of our awareness, when more urgent and better publicized matters seize our attention. It is easy to forget, Mr. Speaker, the hardships our elders endured, the amazing skills they demonstrated just to survive this harsh climate that we now leave outside our homes and workplace.

Mr. Speaker, those very same elders dreamed of some day having their own government, of being able to grow old in comfort, having the right to live in safe surroundings and being treated with dignity and respect.

I would like to applaud the decision cited in Footprints 2, whereby the Government of Nunavut has chosen to observe the rights and privileges of elders by pledging a department for that purpose.

Mr. Speaker, the Department of Culture, Language, Elders and Youth has been designated as one way the Nunavut government will be dedicated to bringing this dream into a reality in making sure that our elders are properly remembered and treated with respect, the respect that they rightfully deserve.

Thank you.

--Applause

**MR. SPEAKER:**

Members' statements. Mr. Rabesca.

Member's Statement 360-13(5): Appreciation to Lutselk'e Hunters

**MR. RABESCA:**

Thank you, Mr. Speaker.

Mr. Speaker, I rise today to thank the Premier and his constituents of Lutselk'e for their generosity and hospitality given to members of my home community. Over the past couple of weeks members from Rae-Edzo travelled by snowmobile to hunt for traditional food, the caribou.

During their stay in Lutselk'e, they had a very successful hunt and also played hand games until the wee hours of the mornings.

It is always good to see our groups visiting each other. Friendships were made and re-established. Common goals were discussed, ideas exchanged and most importantly, communication was strengthened. We all have common goals and ideas to exchange. It is always important to visit and discuss matters with our neighbours.

In closing today, our last day of sitting, I would like to wish everybody in the Northwest Territories and Members of this House an early happy Easter holidays and pleasant journeys.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Member's Statement 361-13(5): The Need to Focus on Division Issues

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**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, yesterday, when we completed the last budget of this government before division, many of the Members reflected on the time spent here debating, passing motions and making statements since November, 1995.

In a little more than a year, division will occur. Many challenges lay ahead over the next 12 months. We have to work hard to ensure a smooth transition for the two new governments. Over the next few months, the Nunavut Act Amendments will be introduced in the House of Commons in Ottawa.

The gross expenditure base for the budget allocated by the federal government for both Nunavut and the new Western Territory will be made known. In Nunavut, the new deputy ministers will implement the departmental government infrastructure as outlined in Footprints 2, will be set up for a new Nunavut government.

Division will be the major focus over the next 12 months. Areas like the Power Corporation, the

Workers' Compensation Board and division of assets and liabilities will need to be addressed.

Mr. Speaker, I look forward to the challenges over the next 12 months. I also look forward to going home to Iqaluit tomorrow, to see my wife and my three children, meeting with my friends and constituents. I also look forward to Friday, when I have the opportunity to entertain our friend, Mr. John Todd, the Finance Minister for this government in Iqaluit.

Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Members' statements. Mr. Erasmus.

Member's Statement 362-13(5): Curling Achievements

**MR. ERASMUS:**

Thank you, Mr. Speaker. I rise today to speak about the fine curling exploits of curlers in the Northwest Territories. The first one I want to offer congratulations to, was the Kelly Kaylo rink from Yellowknife, who recently played in the Canadian Women's Curling Championship, the Scott Tournament of Hearts. They were the only team to beat the eventual winner of the championship. They were also only one win away from a tie-breaker for the playoffs. I believe that is the best a NWT team has ever done, so congratulations to the Kelly Kaylo rink.

The second curling exploits I would like to mention is a little closer to home and that is the government tournament that was held here last weekend in Yellowknife. There were two teams from the Legislative Assembly who were entered. First was the LA1 team, which included Mr. Hamilton, Mr. Todd, Ms. Hilda Camirand and Brian Armstrong. I understand this team had some lovely green jackets that they purchased from Wal-Mart using their own money. They came in 10th place out of 40 teams. They had two wins and one loss. There were several teams with the same record, but using points and tie-breaker, they came in 10th place.

There was another team from the Legislative Assembly, the LA2 short-strokers. On that team was Donna Friesen, Fred Koe, Roy Erasmus and David Krutko, but because Mr. Krutko had to travel, he asked Ray Jones Jr. to take his place. This team, very fortunately, came in second place, with three wins, no

losses, and again, there were several teams at 3-0 but with points made, they came in second. I just wanted people to know I had selected a bird feeder for my prize because I wanted to look out at the world every morning and see all the birds flying around and know for sure the world is really going to the birds. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Dent.

Member's Statement 363-13(5): Yellowknife's Economic Outlook

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. Mr. Speaker, as a Yellowknife MLA, I have been concerned about the local economy, the effect of layoffs due to downsizing, division and low gold prices. I have had a number of constituents tell me how their businesses are struggling. They have seen their house prices falling. In spite of these concerns, Mr. Speaker, most of the people in Yellowknife remain optimistic.

Long-term, most people see a healthy future for Yellowknife and the north, although the short-term may be a bit rocky. We have one diamond mine soon to open and probably more to come. We have many natural resources, so the potential is great. We have seen a number of construction projects recently in Yellowknife and there are definitely more to come.

In the past two and a half years, we have seen this government -- and I thank my Cabinet colleagues -- be fair when it comes to issues that affect Yellowknife. Issues such as the move of DIAND staff north, is a real possibility. Even before the last federal election, most of the Members on Cabinet had talked to Ron Irwin to start the work in order to see that happen.

Mr. Speaker, I often hear the comment from people in Yellowknife, the future looks good. We just need people to feel more confident about the future. In that light, I welcomed the Premier's statement today. Knowing this government plans no more layoffs can only help restore public confidence in our future. That is an important step, Mr. Speaker.

Now, as Yellowknifers, let us get on with building our future.

Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Members' statements. Mrs. Groenewegen.

Member's Statement 364-13(5): Reflections on Governance

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in the West

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. On this, the last day of session, I can say that this has truly been an interesting last session for me. As the Member for Thebacha has indicated, division is now a priority. It is also an opportune time, Mr. Speaker, to re-evaluate, not just the technical aspects of how our new territories will be run, addressing such things as the number of seats, how legislation will be passed, et cetera. It is also an opportune time to look at the spirit, intent and unwritten rules and standards of how we want to be governed.

Mr. Speaker, I have strong views as to what is going to be acceptable and unacceptable as we create a new government for the west. As I have listened to the frustration of many northerners, these views have been formed.

Mr. Speaker, let us take the next year to put in place processes, checks and balances and mechanisms to ensure our new government will truly match the aspirations and goals of the northerners that we serve.

Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Members' statements. Mr. Todd.

Member's Statement 365-13(5): Workplace Education and Training in Rankin Inlet

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I rise today as MLA for Keewatin Central to speak about the workplace education in Rankin Inlet and across the territories.



The future of the two new territories depends on our ability to work with businesses to create an effective workforce. Workplace education has an important role to play in developing such a workforce.

Basic skills and education on-the-job offers employees the opportunity to upgrade their skills enabling them to move on to better jobs. This leaves openings at the entry level for younger people who want to start up.

Workplace education provides employees with the opportunity to take part in learner-centres, participate in programs with flexible schedules and work-related content. Due to these benefits, the number of organizations offering workplace education has been rapidly growing in Canada.

We, in the NWT, have taken up the challenge too. With the encouragement and support of my colleague, the Honourable Charles Dent, the Department of Education, Culture and Employment, has provided innovative and successful programs that have been designed to meet the needs of our distinct northern peoples and workplace.

My home community of Rankin Inlet has played a leadership role in the successful development of such programs. In November, Linda Pemik, a community adult educator with the Nunavut Arctic College, along with instructors Mariah Aliyak and Janet Onalik travelled to Toronto to make a presentation at a national forum on workplace education. Their presentation was very well attended and much applauded. Many people attending looked to our northern educators as a resource for setting up their own community-based programs.

The program in Rankin Inlet has been offered by the Community Learning Centre for three years and offers basic skills in both Inuktitut and English to employees of local businesses and organizations. Last year, services were provided to 52 learners from 17 different workplaces, making workplace education a significant option for many workers who otherwise, would not be able to access training.

Successful basic skills training initiatives in the workplace are based on successful partnerships in all sectors, business, labour, government and education service providers. I would like to take this opportunity to congratulate the educators in Rankin Inlet, my honourable colleague, Charles Dent and his department for their efforts to date, in making these

partnership in my community work and to encourage them to do more in the future.

Thank you.

--Applause

**MR. SPEAKER:**

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

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Oral Question 228-13(5): Update on Tabling of Salaries and Benefits

**HON. DON MORIN:**

Thank you, Mr. Speaker. I have a return to an oral question asked by Mr. Picco on February 5th. Mr. Ootes will be interested as well. Update on tabling salaries and benefits:

On May 13, 1996, the Assembly approved a motion directing the Executive Council to consider introducing legislation that would require public disclosure of salaries and benefits paid to public service employees receiving pay of more than \$100,000 per year.

I made a commitment on February 5, 1998, to provide information to the House. Mr. Speaker, on February 5th, I also stated that the government is waiting for a legal opinion from the Department of Justice. The opinion was requested to determine if the release of such detailed salary and benefit information would be considered appropriate under the Access to Information and Protection of Privacy Act. I wish to clarify that the department of Justice was asked for a legal opinion on October 16, 1997, and one was provided the following day, October 17, 1997.

The opinion indicated that the release of specific salary information would be an unreasonable invasion of privacy under the act. Given that opinion, staff reviewed different options that could be used to provide Members with some information without breaking the law.

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As a result, Mr. Speaker, I am pleased to report that later today, the chairman of the Financial Management Board will be tabling a document that

provides Members with salary range information available for public release under the act. Thank you.

**MR. SPEAKER:**

Thank you. Returns to oral questions. Mr. Todd.

Return To Oral Question 430-13(5): Amending the Workers' Compensation Act

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I have several returns to oral questions and I hope my colleagues will bear with me.

Return to oral question asked by Mr. Henry on February 24, 1998, regarding amending the Workers' Compensation Act.

Mr. Henry asked whether I am prepared to bring before this house, amendments to the NWT Workers' Compensation Act.

My colleague's concerns, particularly with the subsection concerning subrogation, are not new.

In his 1993 review of workers' compensation in the NWT, chief commissioner Garnet Garven recommended that this particular subsection 14(4), should be removed, and the balance of the section reworded to reflect the protection of all employers and their workers covered by the act.

As Minister responsible for the Workers' Compensation Board, I echoed this recommendation in the Legislative Action Paper submitted to this House that same year, 1993. It concluded that the approach used by most other boards in Canada where no action is allowed against any employer or worker covered under the system, was the most appropriate.

The staff of the NWT Workers' Compensation Board began a comprehensive internal review in 1994. It concluded in May, 1995, with a draft bill, that among other changes, abolished subsection 12(4).

We made a commitment to table this bill in the fall of 1996. Unfortunately, we were overtaken by the process of division. Soon after, this House removed the WCB's proposal from its Legislative Agenda.

The Workers' Compensation Board has, in fact, worked very hard to accomplish the change suggested by my honourable colleague. As we are all aware, however, the overriding issues of division and

other Legislative priorities have resulted in a full Legislative Agenda ever since.

If I may, Mr. Speaker.

Return To Oral Question 132-13(5): Loss of Staff Housing Revenue

Asked by Mr. Roland on January 28, 1998, with respect to the loss of staff housing revenue.

The honourable MLA from Inuvik asked a question regarding the loss of revenue to the Inuvik regional health board, due to their inability to collect rent from its staff.

I am pleased to be able to report that, in fact, there has been no net loss to the government. The decision to remove the government from the role of landlord to its employees has resulted in a positive financial impact. Revenue that traditionally had been collected from employees living in staff housing was always far less than the cost of providing this housing. In the case of Inuvik, as elsewhere, one time revenue was realized from the sale of owned units and savings were realized as a result of the government no longer being responsible for maintaining and paying utility costs to these units. Additional savings were realized when unnecessary leases were not renewed on expiry.

The government fully recognizes that the Inuvik regional health board no longer has access to the rents that it had previously retained from its employees who lived in staff housing in the town of Inuvik. For this reason, Supplementary Estimates No. 3 for 1997-98, includes funding to replace this revenue and the FMB has approved an ongoing adjustment to the board's funding.

Return To Oral Question 328-13(5): Termination Benefits for Laid Off Employees

Mr. Speaker, question asked by Mr. Ootes on February 16, 1998, termination benefits for laidoff employees and appeal of termination benefits.

The Government of the Northwest Territories has layoff guidelines in place to provide direction to all departments, boards and agencies. These guidelines are found in Section 1602 of the Human Resource Manual.

Employees who have been issued lay-off notification have different mechanisms available to grieve their layoff based upon their bargaining unit. The

mechanism available to employees represented by the Union of Northern Workers is in accordance with Article 37, Adjustments of Disputes, in their Collective Agreement. Employees covered by the Northwest Territories Teachers' Association, may grieve in accordance with Article 21 of their Collective Agreement. Excluded employees who have a complaint about their layoff may take advantage of the grievance process as outlined in the Excluded Employee's Handbook.

Return To Oral Question 353-13(5): Additional Funding to NWT Development Corporation

One last return to oral question, Mr. Speaker, and honourable Members, asked by Mr. Picco. Additional funding to the NWT Development Corporation.

Mr. Picco on February 17, 1998, asked me to clarify whether the additional \$1.2 million funding that was recently approved to the Northwest Territories Development Corporation was approved through a supplementary appropriation.

The additional contribution to the Development Corporation

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was approved by the Financial Management Board, but was not voted as a supplementary appropriation.

Under the Financial Administration Act, the FMB is authorized to transfer funds among activities, although the Legislative Assembly must approve transfers between departments, and between votes.

The FMB has delegated to Ministers the authority to make budget adjustments between activities within their departments. However, in accordance with the Expenditure Management Plan approved by the FMB earlier in the term of this government, Ministers are required to provide the board with monthly reports on surpluses and shortfalls. If circumstances warrant, the FMB can then take corrective action. This may include recommending a transfer of funds between departments for inclusion in a supplementary appropriation.

After the unusually low level of forest fire activity during the 1997 season, the Minister for Resources, Wildlife and Economic Development identified an anticipated surplus in the fire suppression budget and proposed some internal reallocations. The Minister for RWED also sought the board's approval of a proposed one-time enhancement to the Development

Corporation's contribution funding, to enable the corporation to make additional investments in projects with job creation potential in level 2 and 3 communities.

The increase to the Development Corporation contribution did not require approval through the supplementary appropriation as it did not involve a transfer of funds between votes or between departments. Thank you very much, Mr. Speaker and colleagues.

**MR. SPEAKER:**

Thank you. Returns to oral question. Ms. Thompson.

Return To Oral Question 424-13(5): Arctic Bay Sewage Lagoon Project

**HON. MANITOK THOMPSON:**

Thank you, Mr. Speaker. I would like to return an oral question asked by Mr. Barnabas on February 24, 1998. The Arctic Bay sewage lagoon project funding has not been used to purchase a bulldozer for the hamlet. There have always been two budgeted projects. They are the sewage lagoon and a new replacement bulldozer for Arctic Bay.

During capital planning consultations a year ago, the hamlet council identified the need for a new replacement bulldozer, as it was a critical piece of equipment needed for the sewage lagoon project to proceed. At that time, there was no local contractor with bulldozer equipment in Arctic Bay. In addition, the hamlet's 1980, 814 cat wheel dozer had been in service for 18 years and was in need of replacement. The replacement of the bulldozer is part of MACA's Mobile Equipment Program.

The capital plan included \$210,000 for 1998-99 to purchase a new replacement bulldozer and bring it into Arctic Bay during sealift season this coming summer. The new bulldozer has been ordered but because it will not arrive in the community until summer 1998, only a short construction time will remain during late summer and fall. As a result, the budget for construction of the lagoon was delayed to begin 1999-2000.

The mayor of Arctic Bay was advised of this change in the project's budget. Currently, the capital plan for the construction of the sewage lagoon project remains at \$750,000 over the three-year period of 1999-2000 to 2001-2002.

In addition, \$60,000 is in the capital plan for 1998-99 in order to complete geotechnical investigation and detailed design for the lagoon. Overall, the cost of the project over the four-year period will be \$810,000.

The superintendent for the Baffin region will be discussing this project with the hamlet council in more detail and to confirm the timing. Thank you.

**MR. SPEAKER:**

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

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

**MR. OOTES:**

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Mr. Ben McDonald of the Union of Northern Workers, who is back with us this morning. I have not seen his face in the gallery for a couple of weeks. Welcome back to the gallery.

--Applause

**MR. SPEAKER:**

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

**ITEM 6: ORAL QUESTIONS**

Question 481-13(5): Hay Job Evaluation System

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. I have raised the issue of this new pay and job evaluation system in this House a number of times in the last couple of weeks. I still continue to get concerns raised and this is my last opportunity to raise this issue in the House until May and in that time I think a lot of things will happen. My question is addressed to the Minister of FMBS. Initially, I asked about how this system will be communicated to the employees and what will be put in place to deal with any possible discrepancies or glitches that will happen when you try to put into place a very complex system involving thousands of jobs. Could the Minister indicate and update this House on what is happening in regard to addressing concerns that have been raised in this House? Thank you.

**MR. SPEAKER:**

Thank you. The Minister responsible for the Financial Management Board. Mr. Todd.

Return To Question 481-13(5): Hay Job Evaluation System

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Mr. Speaker, I do have the same concerns that my colleague has, that we ensure that this whole new job evaluation system that is now completed is communicated well to our employees. As I said earlier today, I think somewhere in the region, about 68 percent

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of our employees actually get a pay increase based upon their re-evaluated job. There are some jobs obviously that there will be some decrease in that, in terms of the pay levels, but there will be no decrease to the existing employees. I would ask Mr. Voytilla to take extra ordinary steps to ensure that there is a process in place that is transparently clear that employees who are not satisfied or are concerned or require additional information, that we get that in place. I think we have done that. We have communicated in a letter on an individual bases to each employee. We have set up management committees to discuss the issues with employees. We are in discussions with the union right now about having an extended period of time for appeals. I am fairly confident that we are given this issue its due attention.

I think it is understandable when you are dealing with about 5,000 or 6,000 employees that you are going to have some employees who are not satisfied, obviously. We need to provide, as I said, a clear process for appeals. We are prepared to do that. We will have to re-examine, I am sure, some areas where people are concerned. We are prepared to do that as well. I think the process we have in place and the communication strategy we have in place, I hope, will provide some comfort to our employees, that there is a clear and concise mechanism for them to seek information, to appeal or to raise any concerns they have about the pay job evaluation system that we have put in place. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 481-13(5): Hay Job Evaluation System

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Initially the information I saw included just the new classification of the positions. On the information that has been provided to staff, has there now been a dollar figure or a salary ranges attached to these job classifications so people can see not only the numbers which by themselves may not mean as much as when they are attached to an actual pay grid? Thank you.

**MR. SPEAKER:**

Thank you. Mr. Todd.

Further Return To Question 481-13(5): Hay Job Evaluation System

**HON. JOHN TODD:**

I think as we speak, Mr. Speaker, we are, in fact, providing that information to all of our employees on an individual and collective basis. We now have all the information we require with respect to, for example, a community social worker, who under the old system was at the pay level 21 lets say making \$49,000 - \$50,000 a year. Under the new system there will be a different pay level in fact they will be paid somewhere between \$57,000 - \$58,000 a year, which is about a 16 percent increase in salary. All that information will be provided to the individual workers, et cetera. I am fairly confident that the majority of our workers will be content with this new evaluation system. Hopefully, we can reassure those on the side where their pay or evaluation has downgraded their pay level, that there will be no financial loss whatsoever to those employees. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Miltenberger.

Supplementary To Question 481-13(5): Hay Job Evaluation System

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Could the Minister indicate in terms of communicating this very important issue to the staff and being able to respond, whether the various managers at the regional and community level will be conversant enough with this system to be able

to answer a lot of the important questions that I am sure are going to result when people actually get the payroll numbers and all those other issues? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 481-13(5): Hay Job Evaluation System

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Mr. Speaker, there have been workshops underway with our managers. All the information that I have provided the committee this morning will be provided to our managers and to our employees. As I indicated, I am confident that our managers will have all the information they require to answer the variety of questions that will undoubtedly arise from some of our employees. I want to say again for the record that I am encouraged with the fact that 68 percent of our employees will see an increase in their take-home pay and in some cases as I have said in response to an earlier question, it is significant. I hope that at the end of the day, we and the union, can come to some agreement so we can put this new money in the hands of our employees in April. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Miltenberger.

Supplementary To Question 481-13(5): Hay Job Evaluation System

**MR. MILTENBERGER:**

Thank you, Mr. Speaker. Understandably with a complex system for thousands of jobs there is going to be some discrepancies and I am sure people are very concerned. The Minister indicated briefly in one of his earlier comments that, in fact, there would be some sort of appeal process or review process. Could the Minister elaborate on this particular key process and possible timeframes that may be associated with that? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 481-13(5): Hay Job Evaluation System

**HON. JOHN TODD:**

As I said earlier, it is our intention to give this whole process its due. Which means that you cannot do it in a short timeframe and I indicated earlier that there will be a six-month process in place if there is a requirement for concerns and appeals, et cetera. There will be working committees formed. I hope the employee will go to his manager first and raise a concern. Then, he can obviously go

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**MR. SPEAKER:**

Oral questions. Mr. Krutko.

Question 482-13(5): Government Review of Issues Raised

**MR. KRUTKO:**

Thank you, Mr. Speaker. My question is to the Premier. It is in regard to my statement. In light of the motions and questions we ask through oral questions, written questions, motions, petitions or motions passed by committees in this legislature and also motions in committee of the whole, I would like to ask the Premier is there some person or persons within the government who take a look at all of these motions or questions asked by Members of this House to ensure that they are fully reviewed and that they are fully implemented. Whenever there is a budget looked at or there are supplementary appropriations or that there is going to be a change in a program, that they take into account these questions have been asked by the different representatives from the different ridings so they can develop these questions and concerns into any program changes or budget changes in this government?

**MR. SPEAKER:**

The Premier.

Return To Question 482-13(5): Government Review of Issues Raised

**HON. DON MORIN:**

Thank you, Mr. Speaker. We have done that, in the past, on a number of occasions. We do consider the

recommendations of the motions and questions the Members raise in this House. Cabinet and FMB coordinate the information coming out of this House, for example now from this session we will have people working on all the motions, as well as the questions and concerns Members raised and recommendations they make. We will consider those. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 482-13(5): Government Review of Issues Raised

**MR. KRUTKO:**

Thank you, Mr. Speaker. In regard to the Executive directing the departments to ensure that they take into account these motions have been passed in the House, say the senior people in the departments, the deputy ministers or whoever, to make them aware there are these concerns raised by Members of this House to ensure that they do follow up and it is not just left at the top level, that the senior bureaucrats are also aware of it. What is the process of ensuring that happens?

**MR. SPEAKER:**

Mr. Morin

Further Return To Question 482-13(5): Government Review of Issues Raised

**HON. DON MORIN:**

Thank you, Mr. Speaker. After the House prorogues, then I will be writing to the Ministers, specifically outlining the motions that are made in this House on the recommendations and asking them to consider it, to look at how it can be implemented, if it can be implemented. We do not know that yet and to give it due consideration. I will be doing that myself. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 482-13(5): Government Review of Issues Raised

**MR. KRUTKO:**

Thank you, Mr. Speaker. My next concern in regard to motions is the only real area and opportunity we have for when we review the budget, where we try to give direction to the different departments, in reviewing each department. Motions are made to ensure departments take into account the concerns on a certain segment of the budget. In regard to motions passed in committee of the whole, can the premier tell me exactly how those motions are dealt with by the different departments to ensure they act on those motions?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 482-13(5): Government Review of Issues Raised

**HON. DON MORIN:**

Thank you, Mr. Speaker. The motions are passed in committee of the whole, usually when the department is presenting their budget. It is a motion of recommendation. I cannot tell the Member what is going to be the department's response. What I will do is track the motions that were made, make the Minister aware, remind him these motions were made, and I would like him to respond to the Member as well as to the committee that he works with. The committee of the whole is one of the processes, also, when Cabinet Members go in front of committees to review their budgets, at that time, there are usually concerns raised by Members, and we make adjustments at that time. Then we make further adjustments if at all possible. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Krutko.

Supplementary To Question 482-13(5): Government Review of Issues Raised

**MR. KRUTKO:**

Thank you, Mr. Speaker. My final concern is in regard to petitions where communities make an attempt to voice their opinions through petitions. I believe that is probably the strongest link communities have to this Legislature, is through a petition. One avenue that we have seen are communities sending their petitions in with concerns of certain issues. Can the Premier tell me exactly how petitions are dealt with to ensure that communities concerns are raised,

not only through a petition, but ensuring departments follow through on

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those petitions?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 482-13(5): Government Review of Issues Raised

**HON. DON MORIN:**

Mr. Speaker, the strongest link to the Legislative Assembly is not directly through petitions from the community. The strongest link is through the MLA and working with their MLA to solve their problem. The rules of this House, when a petition is tabled in this House, that we have to respond in so many days, I am not sure if it is 90 or 120 days, but all petitions are responded to. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. O'Brien.

Question 483-13(5): Funding the Pay Equity Resolution

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister responsible for FMBS. In reference to the \$40 million that has been identified or referred to in the pay equity dispute, Mr. Speaker, I notice this amount is not identified in the budget, not that I can see. My question to the Minister, and I realize this issue is not dealt with yet in its entirety, but once all parties agree, where will the money come from and how will it be facilitated? Thank you.

**MR. SPEAKER:**

The Minister responsible for the Financial Management Board, Mr. Todd.

Return To Question 483-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

Thank you, Mr. Speaker. First of all, it is important to point out that up until we did the comprehensive job evaluation analysis by Hay and Associates, we really,

quite frankly, were not in a position to have a defensible, accurate costing of what we thought pay equity would cost, both on the retroactivity side and on the ongoing side. It is important to point out it is \$25 million on the retroactivity side and \$9 million on the ongoing side, so you are talking \$34 million. The other \$6 million is hopefully for the bargaining currently underway.

The question was, where are we going to find the money? That is a good question. Show me the money. I believe we can work hard through frugal fiscal management of government's resources to be able to find it. It will be a difficult task to find additional dollars that are available. We may have to, for example, reduce the supplementary appropriation assignment that we do on an annual basis. It is down to \$25 million now. We used to be \$45 million. It is going to take a lot of hard work and take a lot of creativity on my colleagues' and my part, in managing the government's fiscal resources to find the money. With determined effort and the cooperation of our partners in this process, the UNW, which I am consistently extending a hand to, we will be able to accomplish that. Certainly, there is a sincere desire on my part, as the Finance Minister, to conclude this difficult pay equity issue prior to division on April 1, 1999. It will take a bit of careful management of government spending, some creativity in the supplementaries and hopefully, we will be able to bring about a resolution to this long-outstanding program and at the same time, ensure that it does not affect the programs and services of the people we represent. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 483-13(5): Funding the Pay Equity Resolution

**MR. O'BRIEN:**

Thank you, Mr. Speaker. Mr. Speaker, is there a possibility we will have to cut programs, staff and cap, in order to achieve this amount of money?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 483-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

I, certainly, as the Finance Minister and my colleague, Mr. Dent, spoke about earlier, all our Cabinet colleagues applauded the Premier this morning for his statement, making it clear and unequivocal that there will be no more layoffs to GNWT employees until the end of this government. This is the important statement I wanted to read.

--Applause

If we can reach a settlement based upon what we think is fair and reasonable, based upon the Hay and Associates analysis, I believe we can manage our way to paying for these expenditures without any additional cuts or layoffs as the Premier said, to the current budget. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. O'Brien.

Supplementary To Question 483-13(5): Funding the Pay Equity Resolution

**MR. O'BRIEN:**

Thank you, Mr. Speaker. I appreciate the comments the Minister made. He still did not indicate where we might get this money, if it is not from capital, programs, jobs or staff. Can you give me an example of where the bulk of it may come from? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 483-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

Frankly, Mr. Speaker, it will have to come out of what I call the supplementary appropriation additional expenditures for government. We will have to manage government even more tightly than we currently have, for us to be able to meet those fiscal requirements should we come to an agreement on pay equity. I am saying clearly here, backing up the Premier's statement, there will be no additional layoffs in this government. With prudent fiscal management of our programs, we can find a way to pay the \$25 million on the retroactivity side and the \$9 million on the ongoing side. What we cannot do, is pay any more. Thank you.



**MR. SPEAKER:**

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

Supplementary To Question 483-13(5): Funding the Pay Equity Resolution

**MR. O'BRIEN:**

Thank you, Mr. Speaker. With all due respect, Mr. Todd, I am still waiting for an answer as to where it may come from, what area, in general terms?

Further Return To Question 483-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

It will come from the overall fiscal expenditures of government and as I said, a little more prudent management, if in fact we can do that, because we have squeezed the budget fairly tight these last two years, and it would be fair to say that. I am confident that through some prudent fiscal management we can pay the bill assuming that we can get an agreement in place with our partners in the UNW, get on with resolving this issue and putting some additional dollars into the hands of our employees by April 1. Thank you.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Ootes.

Question 484-13(5): Workers' Compensation Act Amendment

**MR. OOTES:**

Thank you, Mr. Speaker. My question is for the Minister responsible for the Financial Management Board. I just have a question in response to his return to the oral question asked by Mr. Henry the other day and Mr. Erasmus. Regarding the change to the Workers' Compensation Act and this Section 12(4), I quite understand that a large comprehensive review is done and substantial changes need to be made to the bill. The Workers' Compensation Board worked very hard to accomplish this particular change as well. Can the Minister tell me what the difficulty might be in addressing that particular portion of the bill alone? Thank you.

**MR. SPEAKER:**

The Minister responsible for the Financial Management Board, Mr. Todd.

Return To Question 484-13(5): Workers' Compensation Act Amendment

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I did have a number of conversations with the Government Operations Committee on this issue, and as my honourable colleague did indicate, Mr. Erasmus and Mr. Henry, have been discussing this at some length with me. I suppose there is no difficulty in bringing forward a minor amendment if we thought that was an appropriate course of action. I did indicate to Mr. Henry earlier last week and to Mr. Erasmus privately, that I would discuss this matter with the new chairperson, Ms. Joanne Deneron, later next week. I am not saying we cannot do that. In an ideal world, I would have liked to have seen a comprehensive change to the legislation in the Workers' Compensation Board which has not taken place for years. All the work, in fact, was done as I indicated in the return to oral questions, in 1993, 1994, 1995. I would ask my colleague to give me the opportunity to discuss the matter with the chairperson, Ms. Joanne Deneron, and I will certainly keep her apprised, as I would Mr. Erasmus and Mr. Henry, on the issue. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 484-13(5): Workers' Compensation Act Amendment

**MR. OOTES:**

Thank you. We do appreciate the Minister's concern and we do understand that the bill itself would have taken a significant amount of time and work of Members of this Legislative Assembly and the Legislative Assembly itself. I did not catch if the Minister said he would be meeting with Ms. Deneron in the next week, did he say? I am sorry. I did not catch that, Mr. Speaker. Could he indicate when he might be meeting with Ms. Deneron? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 484-13(5): Workers' Compensation Act Amendment

**HON. JOHN TODD:**

I am not sure. I will have to communicate with her. As I said to an earlier question, this week, I intend to discuss the matter with the chairperson and see if both, herself and the board, feel it would be appropriate to move forward this one amendment. By saying that, I am not suggesting we are going to, I am merely suggesting that I will take up the cause raised by the three Members I previously mentioned and will report back to them by letter as soon as I have had the opportunity to meet Ms. Deneron, which hopefully, will be sometime next week.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 484-13(5): Workers' Compensation Act Amendment

**MR. OOTES:**

Thank you, Mr. Speaker. Could the Minister, since we are dealing with the Workers' Compensation Act, look at the possibility of what complications might be encouraged in changing the YMIR, if that is justified? My understanding is that would only require small changes. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 484-13(5): Workers' Compensation Act Amendment

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Well, I am never sure, as a Minister, what you are supposed to speak on these issues but speaking personally, I would like to see the YMIR change where the responsibility lies for it with the board of directors rather than coming for Legislative approval all the time. I will address that issue with Ms. Deneron as well. I would hope it does not become another issue, another issue and another issue. Otherwise, we are into a full review. I would suggest to my colleague, given the time left, I just do not see how we can it on the Legislative agenda. I wish we could but I would certainly address the YMIR issue, which is important to injured workers and the issue of the legislative

change necessary in the relationship to subsection 12(4) and report back in writing to my colleagues. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, just following up on some questions on pay equity. Mr. Speaker, if the UNW, as Mr. Todd just referred to Mark Partners representing the employees of this government do not agree that the new pay system is not gender neutral, who would receive such a complaint? How would that be handled? Thank you.

**MR. SPEAKER:**

I am sorry, Mr. Picco, your question is out of order. It is hypothetical. Mr. Picco, would you like to rephrase your question?

Question 485-13(5): Disagreement on Job Evaluation System

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, I will rephrase my question. Is there a mechanism in place to address any concerns between our partners, the UNW, and the government if they do not agree on the implementation of the gender neutral job classification system? Thank you.

**MR. SPEAKER:**

The Minister of Finance, Mr. Todd.

Return To Question 485-13(5): Disagreement on Job Evaluation System

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Mr. Speaker, of course, I am working on the assumption in negotiations that we can agree. I certainly hope we can. It would certainly be in the best interest of our employees and their membership. If we cannot come to an agreement, I would think that if negotiations breakdown, then the alternative is to go to the Human Rights Commission.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 485-13(5):  
Disagreement on Job Evaluation System

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the Human Rights Commission, is that the same group whom the GNWT lost a complaint against the last time, that put us in the position now where we have to negotiate a settlement because of a court order. Is that the same group? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 485-13(5): Disagreement on Job Evaluation System

**HON. JOHN TODD:**

I know it is the last day of session but my honourable colleague knows full-well that it is the same group. It is a nice tie.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 485-13(5):  
Disagreement on Job Evaluation System

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, following up on the question concerning the gender neutral job classification system. Mr. Todd had mentioned about the group who put this together, the Hay Plan Group, and has stated that, indeed, these people are recognized in their field. Did the Government of the Northwest Territories use completely the Hay Plan gender neutral job classification system or have we adapted it for our needs? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 485-13(5): Disagreement on Job Evaluation System

**HON. JOHN TODD:**

We asked the Hay and Associates, who is a well-recognized Canadian firm both in the private and public sector, to provide us with a job-by-job classification. That is what we did. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 485-13(5):  
Disagreement on Job Evaluation System

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, the Hay Groups has gone into other jurisdictions and have done different types of classification including gender neutral classification under the pay equity situation and the federal government, right now, is involved in their own complaint. I am wondering if the Minister for FMBS would be able to make available, to this House and to the public, how this evaluation system is actually carried out and how the different job classifications were found to be gender neutral. Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 485-13(5): Disagreement on Job Evaluation System

**HON. JOHN TODD:**

I would be only too happy, Mr. Speaker, as I did earlier this morning, to offer the Member and committees a briefing on the Hay and Associates for the third time, to the Members so they understand fully how we came about with our job reclassification, et cetera.

**MR. SPEAKER:**

Thank you. Oral questions. Mr. Erasmus.

Question 486-13(5): Hay and Associates Public Sector Experience

**MR. ERASMUS:**

Thank you, Mr. Speaker. My question is for the Minister responsible for FMB. Sometime ago, I am not exactly sure how long ago, I had asked the Minister if he could provide us with more information on Hay and Associates as to some of their other clients across Canada, for instance, governments or other public bodies. The Minister did not have that information at the time. Has the Minister had an opportunity to look into this issue on other public

bodies and I suppose private as well, that Hay and Associates does work

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for? Thank you.

**MR. SPEAKER:**

The Minister for the Financial Management Board, Mr. Todd.

Return To Question 486-13(5): Hay and Associates Public Sector Experience

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I did undertake or said I would undertake to provide the Members with a full detailed client base of Hay and Associates. I am prepared to do that. I do know from my briefing notes and my discussions with them, they have done a considerable amount of work for, as I said last week, for the Manitoba government, Ontario Hydro, some libraries in some of the provincial jurisdictions. I have my notes here. If I may, for my honourable colleagues, they have done some work for the alcohol foundation for Manitoba, the Canadian House of Commons, the library of the Canadian Parliament, Cineplex Odeon, the Halton Board of Education, Markham Hydro, government of Manitoba, Public Insurance Corporation of Manitoba, Mississauga Hydro, Patens and Baldwin, a textile manufacturer, University of Manitoba, Toronto Star and a number of utility companies, et cetera. I could go on and on about the background here. What I am trying to demonstrate to my colleagues is the diversity of clients that Hay and Associates have dealt with, both in the public and private sector. I think it is significant and I will provide, by letter, to my colleagues a full comprehensive listing of the client base that Hay and Associates have. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 486-13(5): Hay and Associates Public Sector Experience

**MR. ERASMUS:**

Thank you, Mr. Speaker. I have read somewhere, I am not exactly sure where, we have so many documents every day, that the union had indicated they may not necessarily have approved of Hay and

Associates for the particular group they would have used to implement a new gender neutral plan. What I would like to know is, whether the Minister could indicate, if in other jurisdictions, is it the usual procedure that only the employer is responsible for selecting the group for their employment plan?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 486-13(5): Hay and Associates Public Sector Experience

**HON. JOHN TODD:**

Thank you, Mr. Speaker. In most cases, it is my understanding, that is the case. It certainly is the case in ours.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 486-13(5): Hay and Associates Public Sector Experience

**MR. ERASMUS:**

Thank you, Mr. Speaker. The Hay and Associates have done an analysis to arrive at their proposed new pay rates. Does the union have to agree on the new pay rates before they are implemented?

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 486-13(5): Hay and Associates Public Sector Experience

**HON. JOHN TODD:**

It is my understanding, this is correct. Mr. Speaker, we would hope that our partners, in this process, would agree. As I said consistently, we would be able to put these new pay rates into effect under the new collective agreement which we are currently negotiating.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Erasmus.

Supplementary To Question 486-13(5): Hay and Associates Public Sector Experience

**MR. ERASMUS:**

Thank you, Mr. Speaker. Under this new pay rate that has come out of the analysis, could the Minister indicate what percentage of employees would receive an increase and what percentage would receive a decrease? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 486-13(5): Hay and Associates Public Sector Experience

**HON. JOHN TODD:**

In discussing the matter with my staff earlier this morning, it is my understanding that 68 percent would, in fact, see an increase. There would be from a pay scale perspective. The balance would be reduced somewhere. In fact, from a cashflow and if you want earnings perspective, there would be no decrease. All employees, let us say an employee was on pay level 25 and goes under the new pay scheme to a lower pay level, I believe the term as I say before is red-circled, which means, in fact, there would be no changes to the take-home pay. In fact, on the six grids that we have, there would be no decrease there. If their pay level is 25 and went to pay level 22, they would remain there. The net benefit to our existing staff is that there are no pay decreases. Sixty-eight percent get pay increases and some of them, as I said earlier much to my surprise, are anywhere from a nine to 22 percent. I think that is significant. I hope people will pay attention to that. The net decrease to any of our employees from a pay cheque perspective is zero, unless it is a new employee who comes after the employee leaves. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Picco.

Question 487-13(5): Canadian Departure Tax

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, effective March 1, 1998, all airfares were affected by a restructuring of the Canadian Departure Tax. That means an increase in the tickets and the fares. It also means that GST and everything else would be included. This is the new Canadian Departure Tax. In light of the recent NAV Canada increases to our

airfares, could the Premier update this House on the position of the government on this new Canadian Departure Tax? Thank

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you.

**MR. SPEAKER:**

The Premier.

Return To Question 487-13(5): Canadian Departure Tax

**HON. DON MORIN:**

Thank you, Mr. Speaker. I will take it as notice. Thank you.

**MR. SPEAKER:**

Question is taken as notice. Oral questions. Mr. Ootes.

Question 488-13(5): Layoff Benefits to Employees

**MR. OOTES:**

Thank you, Mr. Speaker. My question is for the Premier in regard to the termination benefits of laidoff employees. I received a reply, this morning, from Mr. Todd and it provides the areas that employees can apply to in the event there is a dispute. Could the Premier tell us if he has had an opportunity to check with the various departments about the methods used to decide what the layoff benefit should be for employees? Apparently, personnel officers may be using different methods and different benefits for employees. Has the Premier had an opportunity to address this with the different departments yet?

**MR. SPEAKER:**

The Premier.

Return To Question 488-13(5): Layoff Benefits to Employees

**HON. DON MORIN:**

Thank you, Mr. Speaker. The Government of the Northwest Territories has layoff guidelines in place to provide direction to all departments, boards and agencies. These guidelines are found in Section 1602 of the Human Resource Manual and I will write

to every deputy minister in this government to ensure these guidelines are used. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 488-13(5): Layoff Benefits to Employees

**MR. OOTES:**

Thank you, Mr. Speaker. Could the Premier tell us if he is aware there are concerns by laidoff employees as to the fairness of their particular benefits? Is the Premier aware of this?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 488-13(5): Layoff Benefits to Employees

**HON. DON MORIN:**

Thank you, Mr. Speaker. I know I do receive a lot of mail but I cannot remember or recall, I do not believe I have seen one letter yet from one employee raising that concern. I know the Members raised it in the House. To be more specific, if you have employees who are raising concerns, would you take it up with the Minister? Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 488-13(5): Layoff Benefits to Employees

**MR. OOTES:**

Thank you. I appreciate the Premier telling us he has not had any concerns. I have been advised there are employees who do have some concerns. My question is, has the Premier checked with the departments and the personnel officers to see if there are discrepancies of benefits being provided to employees? Is that becoming a concern?

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 488-13(5): Layoff Benefits to Employees

**HON. DON MORIN:**

Thank you, Mr. Speaker. There are many different ways of solving an issue. If the Member has concerns or if he has people from his constituency who are raising a concern, be very specific, bring it forward and we will deal with it. To put the departments through a lot of work, I do not know if I am willing to do that. Be specific. Thank you.

**MR. SPEAKER:**

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

Supplementary To Question 488-13(5): Layoff Benefits to Employees

**MR. OOTES:**

Mr. Speaker, could the Premier tell us if there are court cases now with respect to employees and unfairness of benefits being paid? Thank you.

**MR. SPEAKER:**

Mr. Morin.

Further Return To Question 488-13(5): Layoff Benefits to Employees

**HON. DON MORIN:**

Thank you, Mr. Speaker. I do not know if there are court cases, but if there are, then I would not be at liberty to talk about it. Thank you.

**MR. SPEAKER:**

Thank you. Oral question. Mr. Picco.

Question 489-13(5): Funding the Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, following up on an earlier question by Mr. O'Brien on where we could find the money, the \$25 million and \$9 million which is \$34 million in the \$6 million he is hoping to include, \$40 million. I just went over the budget that was approved yesterday. I could not find any line item for the \$40 million. However, I do recall the Minister telling Mr. O'Brien that we can get it in the supplementaries, but I also remember the Finance Minister saying that the supplementaries are the exception rather than the rule. I am wondering, how

does the Minister anticipate massaging the budget to the point of finding an extra \$40 million? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Minister of Finance, Mr. Todd.

Return To Question 489-13(5): Funding the Pay Equity Resolution

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**HON. JOHN TODD:**

I think it is important to point out that on a pay equity set, it is \$34 million, Mr. Speaker. I thought I had said, through good fiscal management and batten down the hatches, the sooner we can get an agreement with our colleagues, that we will make every attempt to be able to pay this bill. I certainly do not want to take this government into a deficit situation where we are going to try to avoid that. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Picco.

Supplementary To Question 489-13(5): Funding the Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, no one wants to see the government back into a deficit situation. I agree with the Minister that we have to try to look at it. Mr. Speaker, having the budget book in front of me, I find it very difficult to understand how the Minister can say that we can massage the budget we just passed to come up with an extra \$34 million, plus the extra \$6 million that he is talking about putting in, which comes out to be \$40 million. Could the Minister just explain how he thinks he is going to do that and if he is not going to cut programs and he is not going to lay off staff, where in the budget does he think he can find \$40 million?

**MR. SPEAKER:**

Would you like to respond? It is the same question over and over.

Further Return To Question 489-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

Mr. Speaker, I want to assure my honourable colleague that the \$34 million for retroactivity and the ongoing costs, we can reach an arrangement, will be found without any layoffs or cuts to services to this government. Thank you.

**MR. SPEAKER:**

Again, to remind the Members about the rules of asking questions that have already been asked and responded to. Mr. Picco.

Supplementary To Question 489-13(5): Funding the Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, over the past couple of weeks, in regard to pay equity, the Government of the Northwest Territories, through FMBS, has placed full page ads in every daily and weekly newspaper available in the Northwest Territories. Is that part of the government strategy to sell the pay equity question to the public, to the employees and so on? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 489-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

Mr. Speaker, all we are trying to do is provide our employees with facts. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Picco.

Supplementary To Question 489-13(5): Funding the Pay Equity Resolution

**MR. PICCO:**

Thank you, Mr. Speaker. Mr. Speaker, some people have asked me about the cost of these ads. Has this been budgeted within the FMBS program specific for pay equity for placement of these ads? Thank you.

**MR. SPEAKER:**

Mr. Todd.

Further Return To Question 489-13(5): Funding the Pay Equity Resolution

**HON. JOHN TODD:**

That is correct, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Item 7, written questions. Item 8, returns to written questions. Mr. Clerk.

ITEM 8: RETURNS TO WRITTEN QUESTIONS

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

Mr. Speaker, return to written question 9-13(5) asked by Mr. Ootes to the chairman of the Financial Management Board concerning court proceedings on layoff severance packages.

Return To Question 9-13(5): Court Proceedings on Layoff Severance Packages

The Government of the Northwest Territories offers fair and generous packages to those employees who are laid off. For employees who are members of the bargaining unit, layoff provisions are negotiated and included in the collective agreements. Nevertheless, there are cases where employees who have been laid off take court action against the government. Without commenting on any specific case, I can advise that the allegations and the foundations for these cases vary. Some cases have included allegations that the package provided is not adequate or appropriate in the particular circumstances.

Every court action brought against the GNWT, whether it is in relation to employment or otherwise, is reviewed and the merits and implications are assessed on a case-by-case basis to determine what course of action is appropriate in the circumstances. This may, but does not necessarily, include a negotiated settlement.

**MR. SPEAKER:**

Thank you. Item 9, replies to opening address. Mr. Krutko.

ITEM 9: REPLIES TO OPENING ADDRESS

Reply 5-13(5): Mr. Krutko

**MR. KRUTKO:**

Thank you, Mr. Speaker. My reply to the opening address is in regard to the whole area of the deficit situation we find ourselves in, which we made some hard decisions, but we have managed to do. It is time that we refocus the efforts of ourselves and this government to start looking at the whole area of the social conditions we find our

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communities in and also looking at the economic conditions we have to start developing that sector to ensure we have the resources and jobs that stay and develop in the north for northerners. It is great to have diamond mines, and basically, oil fields, but at the end of the day, if it is not employing people from our surrounding communities bringing down the independence on our social programs, we have to say, what are we doing wrong? We also have to consider looking at the whole aspect of how we distribute wealth within this government from the larger centres to the smaller communities to ensure the communities also have an economic base they can depend on.

One of the most important issues, for myself, is the whole question about healing and having healthy communities. We have to ensure we have better educated people. We have to ensure that we have a healthy workforce and improve the lives of the people in these communities, so they realize they can have a better life and, through those better living conditions, the family will also be able to benefit from these healing programs. I believe there has to be more emphasis put into social development, especially when it comes to alcohol and violence and the whole community that it has an effect on and how they deal with these problems. In regard to the whole process of this government where social services used to administer a lot of these alcohol and drug programs out of Yellowknife which, at the time, seemed like it was more accessible for those interested groups who wanted to develop programs to ensure the communities were able to benefit from them. With the decentralized process, we find we have given a lot of these responsibilities to health boards and also the extra burden of having to deal with the whole area of the cost of medevacs and ensuring that the health care system improves and taking a cut at the same time. These pressures we have put on the health system and the regional bodies have an effect in regard to improving the lives of people in communities.



There has to be more emphasis made to improve the lives of people in the communities and in empowering them. We have to allow them the ability to take on responsibilities for their lives and for the decisions they make on a day-to-day basis. We cannot continue to treat communities with silk gloves, where we say we are going to empower them. We have to give them the adequate resources to carry out programs and services in their communities that will affect them. The different communities are doing a lot of good work, but they are doing it with limited resources, where, in other areas within the government bureaucracy, you have departmental staff who oversees different sectors of this government, who are paid on a full-time basis and receive benefits to concentrate on one particular sector. The area I am talking about, for example, is the Income Support Programs we deliver in our communities. I use Tsigehtchic, for example, where they receive \$4,000 to administer a program this government delivers on behalf of all people in the Northwest Territories, but in the small communities, they get \$4,000 to deliver a program for a whole year. This does not make sense.

We have to start looking at, when we talk about empowering communities, I always make reference in this House to the Tl'oondih Healing Program. For myself, I have seen the results of that program when it was up and running. We saw a major drop in violent crimes in our communities, a drop in alcohol related incidents, and we saw a real improvement in our education system with the students taking a more active role for themselves and their families to ensure their kids were being educated.

We have to seriously take into account the concerns people have in how this government delivers programs and services on behalf of the communities and the people of the north. I believe we have, in debating a lot of issues in this House, we have spent a lot of our energy and time debating the way this government spends money in regard to office leases and pilot projects that are presently underway. We are looking at the whole initiative of block funding arrangements to certain communities, where they do not do that consistently right across the board for everybody. There are certain pots and programs being allocated to different sectors.

I believe we have to start seriously looking at the economics of communities based on what they have within the geographic area. We have to start considering the tourism oil and gas potential that these communities have, as well as the forest potential. One thing we seem to keep coming back to

is the whole area of the renewable resources sector. Everyone knows there are moose, caribou, fish and wildlife that people can depend on instead of importing food products from the south. We have to start developing that industry in the north and depend on the resources we have in the Northwest Territories. The cost to the government, in regard to social funding when it comes to food subsidies or food baskets, has to be looked at in the context of what can the community or the regions offer to bring down the cost of food in the Northwest Territories?

We have to also look at the economic area of tourism potential the north has. We have thousands and thousands of lakes, fish lakes, thousands and thousands of caribou herds where people will pay money to go there, to fish, to take a look and see the wildlife for themselves because nowhere else in the world are there free roaming herds of caribou in the hundreds of thousands. In other countries, a lot of the wildlife has been totally eliminated by over harvesting.

We also have to start looking at the area of developing a healthy, educated workforce. We have to ensure that when any economic opportunities happen in the north we have people who are educated, who have work skills in relation to those projects and also know we are going to get a majority of those opportunities in the Northwest Territories in regard to jobs and the benefits will stay in the Northwest Territories.

There is one sector this government has been lacking in with the resource potential that the north has regarding the revenues presently flowing to the federal government in Ottawa. I am talking about the Northern Accord Agreement which was signed in 1988 between the federal government and the Government of the Northwest Territories. Ten years later, there is no agreement on that. Yet we are still depending on the federal government for resources to fund the programs and services that we have. We have diamond mines, oil fields, forest products presently being taken out of the north and the revenues and royalties coming from those resources are going

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south to Ottawa.

On one hand, we are saying we need more money, more resources and more dollars to deliver better education and health care. Yet, those revenues and resources continue to flow to Ottawa. It may cost us a

few dollars now to take on that responsibility, but in the long-term we talk about community empowerment, community control, and until the Government of the Northwest Territories takes that initiative to tell Ottawa and ensure those revenues stay in the north and those revenues will offset the cost of health care and social programs in the north, we will always stand with our hands out to the federal government and say we need more money. Until that time changes, we will not become a government with control of the people and the resources of the Northwest Territories.

One thing that I feel strongly about is the relationship between the Government of the Northwest Territories and the aboriginal people of the Northwest Territories. For myself, I spent many years working for the aboriginal groups in the Northwest Territories on claims initiatives. I strongly feel the decisions we have made in the last three years are putting us farther apart than we were when we came to this election, in coming to this House for the 13th Assembly. We have made decisions that have affected the well-being of aboriginal people in aboriginal communities. I talk about the area of social well-being of communities, the educational needs of communities and the whole question about ensuring they have control of their own lives. We cannot continue to treat aboriginal people and aboriginal governments with the colonial attitude that the federal government has always had over these people. We know what is best for them and we will take care of their interests, because we know what is best for you. That attitude has to change in the way this government deals with aboriginal people in the Northwest Territories.

In regard to Nunavut, I praise them for making that initiative to ensure Nunavut people have the senior positions in that new government and ensuring that they educate their people now, so when they do take on that responsibility they will be able to do it.

In regard to the west, there are continuing battles between the aboriginal organizations, the Government of the Northwest Territories and the band and hamlet councils. Having disputes they have in the different communities and having to be put on the same level playing field as any structure in this government, they have to have the ability to deliver programs and services and have the adequate resources to take on those programs and services. One thing that is lacking is the whole question of having the respect for communities to ensure they have the resources to take on these responsibilities and being able to develop programs and services in

their communities of how they are going to take care of their lives.

I made a statement in this House yesterday regarding the violent crimes in our communities. We have to take the inspection on ourselves to say is it right for an aboriginal group to have to ask to deliver a program in their community, on how they think that they can better the lives of their communities by filling out an application or putting a proposal to a regional board who has to say yes or no?

In the whole area of job creation, we have to start developing the programs and services into our education system. We have to ensure that the basics in science, math and chemistry are built into the scenario of our education system, so people know when you want to fit into the fields of engineering, geology or nursing means you have to get those programs earlier on in your education, so that when you conclude and graduate from high school and move on to university, you are able to fit into those high paying jobs and high sector employment areas where there is a demand for those type of people.

We also have to do an inventory of what opportunities lie in our communities. We can talk of looking at the economic potentials for being a police officer, a nurse, a teacher, a social worker, an employee of the band or hamlet councils or becoming an employee of retail stores. We have to know exactly what those opportunities have. When we have more than 100 students going into the preschool programs, in 13 years, what opportunities are there going to be for those 100 students once they go through the education system. We have to know after these people have been educated, there is an opportunity, they know they are not just going to become another statistic so and so with a degree in his pocket with no job to go to at the end of the day. We have to ensure we develop our economy with the understanding that we have to generate those jobs, those opportunities and have the individuals feel comfortable that once they graduate from high school in Fort McPherson or Rankin Inlet, they will be able to go somewhere with the degree they receive for their education efforts.

The other area we have to start seriously looking at is the whole area of justice and the delivery of our programs and services at the community level, not just allowing to have people sit in a circle and help the judge make a decision. We also have to look at the area of enforcement and the area of when a person is incarcerated. When they are also taken into a program which is developed by the community to deal

with people who have tendencies of violence, anger, alcoholism and drug abuse, to assist those people, so when they do get in trouble, there is something there that can assist them. When they do come back to the communities, they have had an experience of either taking a program, so when they do get home, they are helped to deal with their anger, violence, alcohol abuse that they have been under for years, put them in the system already.

We cannot continue to have these institutions where we just rotate people from one month to the next, where they come out for a couple months, they go back to jails, young offenders' facilities, then come back to the communities and do the same thing, over and over. We have to develop a scenario where we develop healthy communities, but also have a say in the communities of how you want to develop these programs and services and how you want to deal with inmates, the people who come from your communities and have a say on exactly how they are dealt with.

I strongly feel we have to spend more time and effort dealing with the problems we see happening in our communities, violence in schools, violence in communities, alcohol and drug problems we see in our communities and allow the communities to specify how they want to develop a program or deliver a certain service to their community to make the lives

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better for those people they serve in those communities. We have to start spending more time and resources in allowing communities to take on these responsibilities and not for us to take the onus that we know what is best for you. They have to have the resources and the ability to say, we want to set up a correctional facility on the land for people with minor offences, so we can take them out there, deal with their anger and violence and deal with the family that the violence was affecting, at the community level, so we do not continue to have this violence continue in the communities.

I believe we also have to look at where our funds are being expended to a point where we continue to look at supplementary appropriations to offset the costs of overtime for guards because they have to transfer inmates from a community to a correction's facility, back to the community for court, back to the correction facility. All that is costing the government money. We have to start finding new ways of dealing with those problems at the community level and start considering looking at institutions at the community

level so that they can take care of the problems in relation to the youth and people who do find themselves involved in crime.

The other area we have to seriously look at is the traditional values of the communities, especially from the aboriginal perspective, of ensuring they build into programs and service delivery, the traditional aspects of the community, so the younger generation understands what their cultural background is, so they know where they come from, so they know the history of the people and so they know what they did before contact with the Europeans. Why were they able to survive in this climate in this country for thousands of years and succeed to where they are today?

We have to start developing that, not only in the area of leaving it up to our elders but working along with the elders to take that information, compiling it and preserving it for future generations. Also developing it into our education systems and programs that we deliver on behalf of this government and finding the resources and time to take that on. You see the aboriginal groups around the world. We talk about the Navaho Nation, how they have been able to take over and develop their own Supreme Court, policing programs, education systems and social programs. We have to start looking at what we have to offer.

In the whole area of division, for myself, it is going to be a sad moment to see my colleagues from the east moving on and taking on their own responsibilities by formulating a new government. For myself, I have a lot of respect for the people in the east. I know a lot of people from the east. I have a lot of friends who live in the eastern Arctic. Seeing them go, is like seeing someone leave my home community knowing you will not be able to see them as often as you usually do.

With that, I wish the people all the best in the upcoming years. I believe the people in the west also have to realize we were a strong people by working together for the people of the Northwest Territories. We will continue to be strong by continuing in that relationship after division, ensuring that relationship of friendship will continue and to ensure that the next generation realizes we were a strong unique people. The more we work together, the stronger we will continue to ensure the lives of the people of the Northwest Territories.

With that, Mr. Speaker, I would like to thank you for this opportunity, colleagues in the House, and I wish you all the best for the Easter break. See you in May. Thank you.

--Applause

**MR. SPEAKER:**

Thank you. The time being 12:00 p.m., we will take a one hour break.

--Break

**MR. SPEAKER:**

The House will come back to order. We are on 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. Morin.

**ITEM 13: TABLING OF DOCUMENTS**

Tabled Document 73-13(5): Senior Management Employees by Pay Band

**HON. DON MORIN:**

Mr. Speaker, I wish to table the following document entitled, "Senior Management Employees by Pay Band". Thank you, Mr. Speaker.

Tabled Document 74-13(5): NWT Lending Guidelines, Aurora Fund (1996)

**HON. DON MORIN:**

Mr. Speaker, I wish to table the following document, the NWT Lending Guidelines for the Aurora Fund, 1996. Thank you, Mr. Speaker.

Tabled Document 75-13(5): Achieving Excellence Through Diversity: Affirmative Action in the NWT Public Service

Tabled Document 76-13(5): GNWT Departmental Affirmative Action Reports, February 1998

**HON. DON MORIN:**

Also, Mr. Speaker, I wish to table the following documents, entitled, "Achieving Excellence Through Diversity: Affirmative Action in the NWT Public Service" and "The GNWT Departmental Affirmative Action Reports, 1998". Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading

of bills. Item 16, motions. Motion 16-13(5), Extended Adjournment, Mr. Ningark.

**ITEM 16: MOTIONS**

Motion 16-13(5): Extended Adjournment

**MR. NINGARK:**

Thank you, Mr. Speaker.

I MOVE, seconded by the honourable Member for Thebacha, that notwithstanding Rule 4, that when this House adjourns on Tuesday, March 3, 1998, it shall be adjourned until Wednesday,

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May 20, 1998.

AND FURTHER, that any time prior to May 20, 1998, if the Speaker is satisfied, after consultation with the Executive Council and Members of the Legislative Assembly, that the public interest requires that the House should meet at an earlier time during the adjournment, the Speaker may give notice and thereupon the House shall meet at the time stated in such notice and shall transact its business as it has been duly adjourned to that time. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Item 17, first reading of bills. Item 18, second reading of bills. Mr. Todd.

**HON. JOHN TODD:**

Mr. Speaker, my apologies. I wonder if I could seek unanimous consent to return to item 4. I was late in the House and I apologize to my colleagues.

**MR. SPEAKER:**

The Member for Keewatin Central is seeking unanimous consent to revert back to item 4, return to oral questions. Do we have any nays? There are no nays. Mr. Todd, you have unanimous consent.

**REVERT TO ITEM 4: RETURNS TO ORAL QUESTIONS**

Return To Oral Question 433-13(5): Aurora Fund Management Guidelines

**HON. JOHN TODD:**

Thank you very much, Mr. Speaker, for your indulgence and colleagues. This was an oral question that was asked on February 24, 1998, by Mr. Krutko with respect to the Aurora Fund management guidelines.

The Aurora Fund Offering Memoranda, previously tabled in this House, contained conflict of interest provisions in section 11.

Schedule C of the same offering memoranda contains the NWT investment advisor agreement, signed by the president of the fund and by the NWT investment manager. The board of directors of the Aurora Fund also provided the NWT investment manager with NWT lending guidelines. The board of directors approved these guidelines on February 28, 1997. They may have been tabled, Mr. Speaker, when I was not in the House. Thank you very much for your indulgence.

**MR. SPEAKER:**

Thank you. Returns to oral questions. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters, Bill 11, Supplementary Appropriation Act, No. 3, 1997-98; Committee Report 06-13(5); Tabled Document 15-13(5) and Tabled Document 19-13(5). With Mr. Steen in the Chair.

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

**CHAIRMAN (Mr. Steen):**

I call the committee to order. For consideration today in committee of the whole, we have Bill 11, Committee Report 06-13(5), Tabled Document 15-13(5) and Tabled Document 19-13(5). I would like some guidance as to what the committee would like to do. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I would recommend that we proceed with Bill 11, the Supplementary Appropriation Act, No. 3, 1997-98, followed by Committee Report 06-13(5), the Report of the Auditor General for Year Ended March 31, 1996; Tabled Document 15-23(5), the Budget Address and Tabled Document 19-13(5), the Guidelines for Implementing Public/Private Partnerships. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Ootes. Does the committee agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. With that, I would like then to ask the Members to open their green binder to Bill 11, Supplementary Appropriation Act, No. 3, 1997-98. I will ask the Minister responsible for the bill, Mr. Todd, Minister of Finance, to kindly introduce the bill.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Mr. Chairman, Bill 11, Supplementary Appropriation Act, No. 3, 1997-98, request authority for additional appropriations of \$10,965,800 made up of \$5,837,800 for operations and maintenance expenditures and \$5.128 million for capital expenditures. A number of interdepartmental transfers are also included in the supplementary appropriations which do not require additional funding.

**CHAIRMAN (Mr. Steen):**

Thank you, Minister Todd. As the bill proceeded directly to the committee of the whole, we have no comments from any committees. I will open the floor to general comments on the bill from the Members. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. My question is in regard to the Financial Administration Act, to ensure we continue on the road we took that the Deficit Elimination Act was there and that we have some rules in place so that we do not go back to the way things were in the past. I would like to ask the Minister, exactly what is being done to ensure that the act is adhered to and that we do not breach the act in any way, and we do not find ourselves back to where we were when we

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came into this House and having to make drastic cuts as we did in the last couple of years? I would like to ask the Minister if he could, in regard to the act and the project put forth, how decisions are being made at the senior level and how they are approving leases

and funds being moved from one department to another, that the act is adhered to at all times? Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Krutko, that is a question. I am going to ask if there are any further general comments, before I have the Minister respond. Are there any further general comments on the bill? If no further general comments would you like to respond, Mr. Todd?

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Well, I think it is important to remind everybody, of course, that we do have legislation we have to meet. In that legislation it is clear this government, which includes all of us, have to provide the people in the territories with a balanced budget. There is some latitude there where we are allowed two percent of our overall budget, but it certainly is there, in legislation. That, more than anything else, polices you, if you want, into the way that we expend money.

On any changes that we make in the supplementaries, et cetera, they all meet the requirements of the Financial Administration Act. It certainly would be not only my desire as a Finance Minister, but the desire of my Cabinet colleagues and, of course, the Premier, that we meet the targets we set for this year, balance the budget and reduce if we can, as much as possible, the accumulated deficit so the two new territories on April 1, 1999, one, have a balanced budget, which is a good start for any two new governments and two, we can reduce as much as possible, the accumulated deficit they will have to inherit.

I think that is really the position of the government, Mr. Chairman. As I have said, by legislation, it is demanded of us that we balance our budget. I am confident we can do that. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. I would now direct questions to the committee. Are we prepared to move clause-by-clause on the bill? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Before I do, I would invite the Minister to bring in his witnesses.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Yes.

**CHAIRMAN (Mr. Steen):**

Does the committee agree that Mr. Todd can bring in witnesses? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Will the Sergeant-at-Arms bring in the witnesses and seat them, please? For the record, Mr. Todd, could you introduce your witnesses?

**HON. JOHN TODD:**

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

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. Welcome to the committee. We are now prepared to proceed clause-by-clause. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

We will then proceed into the document Supplementary Appropriation No. 3, page 5, 1997-1998 Supplementary Appropriation No. 3, Legislative Assembly, operations and maintenance, special warrant, Office of the Chief Electoral Officer, special warrants, \$689,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, \$689,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. On page 6, Executive, operations and maintenance. Executive offices, not previously authorized, negative \$99,000. Mr. Krutko.

**MR. KRUTKO:**

Where are we in regard to the report? I am on item 11. I do not have that supplementary in front of me.

**CHAIRMAN (Mr. Steen):**

I believe the Member has found where we are at. I will read again. Executive offices, not previously authorized. Cabinet Secretariat, negative \$99,000. page 6. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. On page 7, Financial Management Board Secretariat, directorate, not previously authorized, negative \$27,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 8, Aboriginal Affairs not previously authorized, negative \$9,200. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, negative \$134,200. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 9, Municipal and Community Affairs, operations and maintenance, regional operations not previously authorized, \$178,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Total department, \$178,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

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**CHAIRMAN (Mr. Steen):**

Thank you. Page 10, Public Works and Services, operations and maintenance, assets management not previously authorized, negative \$254,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Total department, negative \$254,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Health and Social Services, operations and maintenance, community programs and services, not previously authorized, \$1.331 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, \$1,331 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**MR. STEEN:**

Thank you. Page 12, Justice, operations and maintenance, community justice and corrections not previously authorized, \$983,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Law enforcement, not previously authorized, \$195,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Lawyer support services, negative \$44,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Registries and court services, \$185,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, \$1.319 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. NWT Housing Corporation, operations and maintenance, not previously authorized, \$26,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, \$26,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Education, Culture and Employment, operations and maintenance, directorate and administration, not previously authorized, \$3,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Culture and careers, not previously authorized, \$692,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Educational development, not previously authorized, \$2.680 million. Agreed?

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, \$3.375 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 15, Resources, Wildlife and Economic Development, operations and maintenance, forest management, not previously authorized, negative \$1.213 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Resource, Management and economic development, \$521,000, not previously authorized. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, negative \$692,000. Agreed?



**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Executive, capital, Financial Management Board Secretariat, directorate, not previously authorized, \$1.848 million. Agreed?

**CHAIRMAN (Mr. Steen):**

Thank you. Page 17, executive capital, Aboriginal affairs, not previously authorized, \$9,200. Agreed?

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, \$1,857,200. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Page 18, Education, Culture and Employment, capital, culture and careers, special warrants, \$2.959 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, special warrants, \$2.959 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 19, Transportation

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capital, highway operations, not previously authorized, \$49,800. Agreed?

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, \$49,800. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 20, Bill 11, Resource, Wildlife and Economic Development, capital, resource management and economic development, not previously authorized, \$262,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total department, not previously authorized, \$262,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Now if I could direct Members to the binder, to the start of Bill 11. Bill 11, Supplementary Appropriation Act No. 3, 1997-1998. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Page 1, we have clause 1. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Clause 2. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Clause 3. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Clause 4. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

On page 2, Bill 11, clause 5. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Clause 6. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Clause 7. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. On page 3, Bill 11, schedule, part one, vote one, operations and maintenance, total operations and maintenance, \$5,837,800. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Can the Minister tell me, out of the \$692,000 under Resource, Wildlife and Economic Development, is that where the \$400,000, came from that the city of Yellowknife received?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Todd?

**HON. JOHN TODD:**

No, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Is the \$400,000 anywhere in this supplementary appropriation that we are dealing with? Where does that money show up, if not here?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Todd.

**HON. JOHN TODD:**

No, it was not an additional supplementary appropriation, Mr. Chairman. It was money that was in the departments existing budgets, under an existing program. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. Total operations and maintenance, \$5,837,800. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Can the Minister tell me who approved or authorized the giving of \$400,000 to the city of Yellowknife?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. Mr. Krutko, that particular subject is not part of this bill. The Minister indicated it is not included in this bill. I will have to rule your question out of order. You have further questions, Mr. Krutko?

**MR. KRUTKO:**

Thank you, Mr. Chairman. Are any funds that are in the supplementary going to be given as a one-time payment to any group, agency or is there any money that is allocated in this supplementary is going to be given to any group or interested party as a one-time payment for any projects?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. That is a pretty broad question to put to the Minister. Would you like to respond, Mr. Todd?

**HON. JOHN TODD:**

I am sure there are some expenditures in there where there may be one-time expenditures to organizations. I do not have that level of detail, but I am sure there is.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. I do not know how to read his sign language, Mr. Krutko, but I get the impression that you would have to be more specific. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. Can the Minister tell me if anyone will be receiving \$400,000 as a one-time payment out of this budget?

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Krutko. I believe you mean out of this particular bill, not out of this budget. I believe the Minister already indicated, but I will let him respond again if he chooses. Mr. Todd.

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**HON. JOHN TODD:**

Not that I am aware of, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. Just for the Members' information, those particular types of questions would have been more properly brought forward as we were going through the supplementary appropriations and also when the floor was open to general comments. Total operations and maintenance, \$5,837,800. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Part 2, vote 2 capital, total capital, \$5.128 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Total supplementary appropriations in Part 1 and 2, \$10,965,800. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Bill as a whole? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Does the committee agree that Bill 11 is ready for third reading?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Bill 11 is now ready for third reading, and I thank the Minister and his witness for appearing. As agreed to previously by the Members, we will now proceed with Committee Report 06-13(5), Standing Committee on Government Operations. Report on the review of the report of the Auditor General to the NWT Legislative Assembly for the year ending March 31, 1996. I will recognize Mr. Erasmus as Chair of the Government Operations Committee.

**MR. ERASMUS:**

Thank you, Mr. Chairman. As you will recall, we already did the introductory comments at an earlier time, so I will get into the other aspects of the report. First area is reporting for results. The committee is generally satisfied with the positive lengths it has seen between the business plans and the budgets of the departments. It is felt by the committee that this will assist the departments in communicating their accomplishments to the public and the MLAs now that goals are outlined in the business plans which were publicly released when tabled in the Legislative Assembly in late January.

In the area of public accounts, it is the view of the committee that the audited public accounts could be completed in a more timely fashion. If the audited public accounts were completed in August, the committee would be able to complete its review and table its report in the fall session. The committee was pleased with the comptroller general's commitment to provide the audited public accounts to the standing committee earlier than in previous years. The earlier the committee can review the public accounts, the earlier the government can act on any recommendations of the standing committee and

prevent any improper accounting or operation of procedures from becoming institutionalized.

In the past, because the reporting requirements contained in the Financial Administration Act only required the government to table the public accounts by December 31. The committee has not been able to complete its review and table its report before the January sitting of the Assembly. As a result, the report has been tabled 11 months after the fiscal year end. The committee looks forward to reviewing the public accounts and tabling its report in the fall session later this year.

One of the recommendations made in the Auditor General's report concerned government subsidies. The Auditor General's office reported that Members of the Legislative Assembly were not receiving a true picture of the impact of subsidies on the Northwest Territories economy because some subsidies were hidden in the program delivery budgets of the departments. Committee Members agreed, with the comptroller general, that in a jurisdiction such as the NWT, a case could be made that most government programs contain some level of subsidy. Nonetheless, the committee is of the opinion that an overview of programs that may provide a subsidy should be provided to the Ordinary Members.

The committee has indicated its willingness to work with the comptroller general and the Financial Management Board Secretariat to develop the criteria for identifying subsidies.

#### Pay Equity

The pay equity issue continues to be a matter of concern to the Auditor General's office and the Standing Committee on Government Operations. The committee appreciates the government's rationale for not listing pay equity as a financial liability in previous year's public accounts. However, committee Members feel strongly that the government must determine quickly if a liability exists and, if so, include pay equity as a liability in its accounts because of the potential for this becoming a division issue. It is hoped that the pay equity issue can be resolved by negotiation with the Union of Northern Workers before the fiscal year end. The committee appreciates the government's commitment to list pay equity as a liability, if one exists regardless of the outcome of the UNW negotiations in the 1997-98 public accounts.

Committee Motion 31-13(5): Recommendation That Public Accounts Reflect Pay Equity Liabilities

Mr. Chairman, I move that this committee recommend the government identify the amounts to be entered into the public accounts to reflect pay equity liabilities and that they list the liability in the public accounts as of March 31, 1998.

#### **CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Continue on, Mr. Erasmus.

#### **MR. ERASMUS:**

Thank you, Mr. Chairman. In the area of environmental cleanup and related restoration costs, the committee is very concerned with the government's lack of action in addressing the environmental liability issue. As this issue will definitely be on the table during the asset liability

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negotiations between the various northern parties, the committee is of the opinion that as a minimum, the government should perform a sort of triage on the environmental liabilities list. The primary goal of this triage should be to identify the sites and where there is a potential for harm to NWT residents, employees or wildlife, to identify the associated cleanup costs and to create a plan and identify the necessary funding, to deal immediately with these sites. The next goal of the triage should be to identify the sites, for the Government of the NWT may have inherited a liability, the responsible agency or government for each site and to inform the appropriate bodies of the NWT government's potential statement of claim. As a first step, the committee feels that the government must identify the money to conduct the initial site review.

Committee Motion 32-13(5): Recommendation to Address Contaminated Sites and Environmental Liabilities

Mr. Chairman, I move that this committee recommends that the government prioritize the list of contaminated sites in the NWT, identifying those sites that pose a risk to the health and safety of people or wildlife, conduct a detailed assessment of clean up options and related costs for those prioritized sites, identify funding and conduct final clean up of these sites at the earliest possible time and develop and

apply a consistent accounting policy for disclosing all environmental liabilities in the public accounts.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Mr. Erasmus, proceed on with your report.

**MR. ERASMUS:**

Under supplementary appropriations, Mr. Chairman, in last year's report, the committee stated its concern that some departments were circumventing the budgetary planning process by relying on supplementary appropriations as an integral part of the budgetary and planning cycle. It was felt by the committee that the majority of these departments were aware or should have been aware that additional funding was likely to be required and by using the supplementary appropriations, the departments denied the committee and the government the opportunity to gain a full understanding of the funding problems facing the departments.

The committee is pleased that in this fiscal year the government has not relied on supplementary appropriations. The appropriations now appear to be largely used for the purpose for which they were created, that is to deal with fiscal issues which are unforeseen or cannot be accurately planned for.

**Division**

Realizing that the issues mentioned in the Auditor General's Report regarding preparations for division will have to be settled at the political level, the committee appreciated the comptroller general's comments and update on how division planning was proceeding. The committee will be closely monitoring these ongoing issues.

The next area is revenues, receivables, and receipts management. Mr. Chairman, the Auditor General's report listed several concerns with the way the various government departments handled revenues. The committee was generally satisfied with the government's response to the concerns outlined in the Auditor General's Report. Committee Members agreed that the contracting out of the lesser value receivables to private collection agencies was a positive step and would free up the Financial

Management Board Secretariat collection agents to pursue the higher-value receivables.

The committee would like to express some scepticism about a \$300,000 cost estimate attached to the upgrade of the financial information system to enable the system to calculate and add interest to overdue accounts. The committee feels that by not calculating and adding interest to the overdue accounts, the government is missing out on a revenue generator, as well as a tool to encourage timely account payment. It was noted that the NWT Power Corporation charged interest on overdue accounts and that there may be a possibility for the government to make use of the Power Corporation's program. The committee also had the same concerns as the Auditor General's office with respect to the handling of cash at the local and regional levels. With the privatization of some government services, it was felt by the committee that the government needed to tightly monitor the deposit requirements to ensure any cash reporting deficiencies were discovered and dealt with in a timely, efficient manner.

**Committee Motion 33-13(5): Recommendation That Future FIS Include Interest Calculation Capabilities**

Mr. Chairman, I move that this committee recommend that the next financial information system, purchased or used by the government, have the ability to calculate at compound interest on overdue accounts.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. Your motion is in order. To the motion. I am afraid I do not recognize a quorum, so I am going to have ring the bell. I recognize a quorum. I call again. All those in favour? All those opposed? The motion is carried. Mr. Erasmus, your time is up. Does the committee agree that the Member may carry on further? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Mr. Erasmus, you have consent of the committee to carry on past your ten minutes.

**Committee Motion 34-13(5): Recommendation to Improve Cash Handling Processes**

**MR. ERASMUS:**

Thank you. Mr. Chairman, I move that this committee recommends the government take immediate steps to improve the process by handling cash receivables and the process be made more stringent and the opportunities for direct deposits and other such mechanisms be explored to minimize theft potential and losses to the government.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. You may proceed, Mr. Erasmus.

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**MR. ERASMUS:**

Thank you, Mr. Chairman. I will now pass the remainder of the report to be read by Mr. Miltenberger.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Erasmus. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. The committee was satisfied with the Legislative Assembly's explanation of the reason for an over-expenditure in the pension liability of the Legislative Assembly, Supplementary Retiring Allowances Fund. The committee is pleased that the administration of the Legislative Assembly and the Financial Management Board Secretariat have reached an agreement on the reporting requirements for the fund and Members are satisfied the committee will not be revisiting this issue again. Throughout the Northwest Territories Development Corporation, the committee was very disappointed with the lack of a detailed response to the Auditor General's Report by the Development Corporation. Unlike any of the other departments or agencies appearing before the standing committee, the corporation did not prepare a comprehensive presentation.

When the corporation's presentation to the committee is compared to the other departments' presentations, it is apparent to the Members that the corporation failed to address any of the issues or concerns arising out of the Auditor General's Report.

Although the presentation forecasted a positive future for the Development Corporation, committee

Members felt the corporation failed to indicate any quantifiable actions or results.

The committee has some sympathy for the current administration, given the problems with the Development Corporation that were inherited. However, the committee does not believe the current administration can abdicate its responsibility to respond to the Auditor General's Report by virtue of the fact they were not responsible for the actions of previous administrations.

The glaring problem with the Development Corporation in the minds of the committee Members is that the corporation does a poor job in communicating the results of any investment it makes. The committee realizes some investments are, in fact, subsidies to businesses that have no reasonable chance of success. However, in the absence of any report or statement that contains measurable, quantifiable results, the committee is not comforted by the corporation's positive outlook that there is nothing to worry about.

Nearly two years have passed under the new administration's leadership. There should be some way to measure the results of the changes to the corporation that have been implemented.

The committee is concerned that the corporation has an inventory control problem. The committee understands that the corporation is dealing with the problem and trying not to sell off inventory at reduced prices to avoid market disruptions.

The committee would like to see a listing of all surplus inventory held by the Development Corporation's subsidiaries and venture companies, and the value assigned to that inventory.

Committee Motion 35-13(5): Recommendation to Link the Corporate Business Plan to Year-End Results

Mr. Chairman, I would like to make the following motion in that regard. I move that this committee recommend that the NWT Development Corporation identify the positive linkages between the corporation's business plan and the end result in its 1997-98 year-end statement, paying particular attention to the results achieved that can be attributed to the administrative changes implemented by the current administration. Further, that these results should be presented to the Standing Committee on Resource Management and Development, at the earliest

opportunity, for their review. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Miltenberger. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. You may proceed further, Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. The committee was generally pleased with the presentation and response to the Auditor General's Report made by the NWT Housing Corporation. The committee appreciated the president's candour in discussing the issues facing the Housing Corporation. The committee looks forward to receiving a legal opinion on the tax implications on the mortgage subsidy programs that the corporation has undertaken to provide to the committee.

There is still a concern on the part of the committee that when higher income tenants move out of social housing, they take with them the significant rent paid to the local housing authorities and are replaced with low-income tenants who can only afford the minimum rental cost. This scenario could impact negatively on the block funding supplied by the Housing Corporation to the local housing authorities.

The committee strongly urges the corporation to monitor this situation and, if required, make adjustments to the base block funding provided to affected local housing authorities to ensure the local housing authorities can still fulfil their mandate.

The committee was pleased to see the period of debt forgiveness increase from five to 15 years. The committee feels this was a positive move by the corporation to ensure the abuses of the system are kept to a minimum.

The committee also has concerns about the inequities between the different programs that the Housing Corporation administers. It was felt that this was a diverse issue in some communities and results in a lower rate of financial return to the corporation. The committee was pleased to hear about the phasing out of the rural remote housing program in the corporation's fairness in dealing with the homeowners who had honoured their commitment. The committee is of the opinion that the corporation and local housing authorities must deal aggressively with people who

abuse any of the Home Ownership Programs. If one person in the communities sees there are no consequences for others who do not fulfil their obligations, problems with abuses to the system will only multiply.

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Committee Motion 36-13(5): Recommendation to Request a Comprehensive Review of the NWT Housing Corporation by the Auditor General

Mr. Chairman, I would like to move the following motion. I move that this committee recommends the Legislative Assembly request that the Auditor General conduct a comprehensive review of the NWT Housing Corporation, concentrating on the inequities between the programs the Housing Corporation administers.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Miltenberger. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Mr. Miltenberger.

**MR. MILTENBERGER:**

Thank you, Mr. Chairman. That concludes the report of the Standing Committee on Government Operations.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Miltenberger and thank you, Mr. Erasmus. Are there any general comments on the report? If not, does the committee agree that consideration of Committee Report 6-13(5) is concluded?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Committee Report 6-13(5) is concluded. As previously agreed, we will move on to the next item on the agenda which is Tabled Document 15-13(5), 1998-1999 Budget Address. Are there any further questions or general comments on this particular document? Does the committee agree that Tabled Document 15-13(5) is concluded?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Steen):**

Thank you. Tabled Document 15-13(5) is concluded. We will move on to the next item. I believe it is our last item on our agenda. Tabled Document 19-13(5), Guidelines for Implementing Public/Private Partnerships. Whom do I direct this to? Mr. Todd, as the Minister of Finance and Financial Management Board. Mr. Todd.

**HON. JOHN TODD:**

Thank you, Mr. Chairman. Well, first of all, on behalf of my Cabinet colleagues, I could like to extend my appreciation to the Ordinary Members for their input and direction given on the Public/Private Partnerships. As I indicated earlier in the week, this is a new policy of this government and it is not going to be without its bumps and grinds, as they say. We had a meeting earlier today in an effort to try to outline some of the potential projects we think fit the P3 proposal. I am optimistic within the next week or so we will be able to come to some agreement as to what projects we can move forward on in the P3 policy strategy.

There are a number of questions that have been raised by Members. I think there is going to be a motion passed in the House, when I conclude, giving the government some direction and some input into how we should go about approaching P3 and the need for some checks and balances. We look forward to that. At the end of the day, I hope the P3 will bring about what was originally set out to do and that is increased capital spending that will bring about the infrastructure needs for the communities. I look forward to the motion brought forward by the Ordinary Members. I look forward to a successful conclusion in the next week to ten days of what projects we feel warrant that P3 application. I would like once again, on behalf of my Cabinet colleagues and the Premier, to thank the Members for their input, again. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Todd. I believe the Members will recall we did have general comments previously on this particular document. I am opening the floor again to general comments or questions to the Minister. I recognize Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I will just make a general comment, then following that, if there are any questions, I would like to make a motion. Just to make a general comment to start with, we want to applaud the government for coming out with the idea of P3. We definitely had difficulty here in the territory, meeting the infrastructure needs, and they have been identified as substantial. Because of our constrictions with the financial budget, we have no means of addressing some of the major concerns that are there. The P3 process is a mechanism by which to be able to do that. A report was issued by Mr. Todd's department, it was commissioned to the Cole's Group and following that, guidelines were issued to Members here.

From that, the Members discussed the issue. Some research work was done. From there we developed a fairly extensive list of recommendations and guidelines for the government to follow in the implementation of the P3.

I think it is important for the government to adhere to those guidelines. There is concern, of course, out there about the transparency, the methodology by which the P3 will be implemented, the mechanisms by which approval will be given to any projects. I think the motion addresses, if not all, certainly a major portion of the concerns.

I feel strongly this will go a long way to provide some public confidence in the process and provide transparencies and ensure there is a mechanism by which the public can be reassured this is a good process to follow.

On that, I will conclude my remarks and if there are questions, go ahead and, if not, then I will make my motion, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Ootes. Further general comments? Mr. Picco.

**MR. PICCO:**

Thank you, Mr. Chairman. Mr. Chairman, I would like to restate some of the background of this P3 and just give an overview. Generally, I am in favour of the P3 proposal. I guess we have to look back at what has happened to bring the P3 proposal forward as introduced by the Finance Minister.

I guess the government has done a capital needs assessment. That was completed. The GNWT



identified about \$200 million and more than \$800 million immediately in various

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infrastructure capital projects and shortfalls in those fundings over the next short time and over the next 20 years. Those shortfalls were dominated by infrastructure needs in the areas of housing, transportation, municipal services, education, health and corrections. The government stated that the capital shortfalls could not be funded by the GNWT in the current fiscal climate and without ultimate funding and/or additional sources of capital, some projects would not proceed because the GNWT did not have the fiscal capacity to do. The P3 was intended to address some of these deficiencies.

The Finance Minister kept talking about partnerships. In its simplest form, Public/Private Partnerships occurred when the government entered into an agreement with a private organization to deliver a service. Before that, it was provided by the government. Traditionally, these partnerships have been based on the private sector providing all the assets, financing, staffing requirements and management services associated with the service and the government agency paying a fee for the service. An example of such a partnership, another jurisdiction included waste collection, contracts entered into by the municipalities in Ontario and wheelchair taxi cab services provided in metropolitan Toronto. There has been a wide range of approaches to the Public/Private Partnerships. More recently, the form of these partnerships has changed to reflect a greater sharing of roles and risks within the relationship. An ownership of equipment, the financing equipment and the risks associated with the revenues are being shared between the parties.

The point I am trying to make, Mr. Chairman, are the risks that are being used to bring forward to P3, what are those risks, what is the exposure to this government and to other governments and ultimately to the tax payer who has to pay for entering into these P3 agreements? Mr. Ootes touched base on it earlier when he said that the P3 initiative had to be transparent not only in the process but to the public at large, who would be looking at the projects as they came forward. Today, we had an opportunity, in the Ordinary Members' Caucus, to finally see some projects that may be identified as P3 initiative projects. It was interesting to see those. Maybe later today we will have an opportunity to question the Minister of Finance on the delivery of those projects.

With that, I will end my comments. I believe Mr. Ningark and some other Members would like to speak on this very important initiative. Thank you, Mr. Steen.

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Picco. I will recognize Mr. Ningark.

**MR. NINGARK:**

Thank you, Mr. Chairman. Mr. Chairman, I agree with my colleague, Mr. Picco, to a degree. I also agree with Mr. Ootes, coming from a big community. What I have in mind is going back to smaller and remote communities where opportunities are few. The only time the majority of the people in the communities who are unemployed, Mr. Chairman, would have the opportunity to work is during seasonal summer construction. Oftentimes, Mr. Chairman, the community has a project in mind, a capital project, for that matter and because of its size, is not able to materialize the idea they had because of the size of the communities. There are no banks in the communities. The potential for partnership in a community to construct a building, capital project, is limited. Mr. Chairman, by the same token, when an important vote comes into this House, we from the small communities count. Oftentimes, small communities we represent do not seem to count. I hope the P3 initiative, Mr. Chairman, will recognize the small communities as they recognize us, the Members here, when it comes to supporting such an initiative. I hope Mr. Ootes' motion also recognizes the small communities.

Mr. Chairman, when I got elected to talk to people, I travelled around my area. I have seen the hope of people, elders, middle aged, employed or unemployed, especially young families or those young people who are about to have their own families, talk to me about their dreams and aspirations, how they thought I could make a difference. I tried. In some areas, I was successful and I thank the Members who supported me. I am not saying that Members have not supported me, but to a limited degree, Mr. Chairman, too many times we have seen projects, programs, services, initiatives, et cetera, of this government fail to address the real need of small communities.

Mr. Chairman, because we have limited resources, financially speaking, in this government, we have come up with a billion ideas which we know as P3. I support this initiative's incentive, technically speaking, but at the same time, I have reservations of this

initiative because I wonder, Mr. Chairman, will P3 benefit the small, remote communities, where we do not have all the resources, we do not have the means? I hope so. Having said that, Mr. Chairman, I hope the Finance Minister, the Premier, Cabinet Members, government operation Members and every Member of this Legislature will remember your grassroots. You come from a community elected by your small community. In essence, make sure you remember your community as well as you remember the big centres. If the larger centres, Mr. Chairman, benefit from this initiative, I thank God, but at the same time, let us try to do something for those who have not had the chance to benefit from some programs and services of this government. Thank you, Mr. Chairman.

--Applause

**CHAIRMAN (Mr. Steen):**

Thank you, Mr. Ningark. General comments. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Mr. Chairman. I too support the initiative in regard to the P3 process, but as Mr. Ningark stated in his comments, there has to be some assurances that this initiative is there to benefit all the people of the Northwest Territories in all communities, that it does not only concentrate its efforts in larger centres, where most of the economic opportunities presently exist. There has to be clearly defined rules in regard to the allocation and distribution of these particular projects. There has to be some assurances that they spread the wealth to the other smaller communities and ridings and not to concentrate all the resources and efforts to build large infrastructures in large, regional centres, but also in communities in regard to items such as reinvesting in the area of education, public health, and also looking at the possibility of roads to communities that are presently isolated. I believe this motion is supportable, but for myself, I would like some comfort in knowing exactly what this board structure which is going to be suggested in regard to some public advisory board and have

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some assurances that there will be some aboriginal involvement to ensure aboriginal interests are taken into consideration in regard to the P3 initiative. They should have a say in regard to how that program is being administered, not only for the larger centres but

taking into account there is an aboriginal interest that has to be involved in any economic initiative this government does. There has to be some assurances that there will be aboriginal involvement on any boards, agencies or committees that are established through such an initiative.

The other area I would like to talk about is ensuring there is not only fair distribution of allocation of projects, but also the ability and economic opportunities given to companies or corporations who are within the different jurisdictions, to have the opportunity to own public infrastructure and be able to participate in such an event without being eaten up by the larger financial institutions and constructions that presently exist in the Northwest Territories.

There are a lot of Members in this House who do not like the notion that aboriginal groups are getting too much because the big boys have had it so good in the past. They are realizing now that they have some competition. We have to ensure that the companies and corporations that invest in our communities, that set up shop in our communities, to make sure they have people maintaining their equipment and their facilities year-round rather than staying in just the larger centres or in southern Canada and saying they have a northern preference is not the way to go. Those people who want to invest in the north should also make the investment of developing their offices and their businesses in small communities, small regional centres and make it their business to be a part of the community and the region. Not to look at the north as a place where you just fly in, do your business and fly back out. That initiative has to stop. There has to be long-term investment and long-term commitments of these groups and corporations to be here for the long-term, not for the short-term.

Regarding a report card, I believe there has to be a reporting mechanism, and it has to be done in light of the public where it is a public document. Whatever projects, they will have public scrutiny along with what the Members in this House have to say about particular projects and particular matters. We keep everything up front and centre which is in the public interest, since we are going to be using public dollars. With that, Mr. Chairman, thank you.

**CHAIRMAN (Mr. Ningark):**

I thank you, Mr. Krutko. Mr. Steen.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I could support the P3 proposal initiative as well. I believe it is an opportunity for aboriginal groups and small businesses to invest in public infrastructure, both roads and building-type infrastructure. I believe it is beneficial to the territories on a whole for this government to proceed in that direction. I believe, Mr. Chairman, that we have evidence of this already happening in Nunavut where the federal government has basically done the same thing through allowing the birthright groups to construct and lease back infrastructure to the Nunavut government, infrastructure that the government would need and does need to establish itself. It is working to everyone's benefit.

I mentioned this before, Mr. Chairman, but I think it serves to identify that there are benefits to this program. I spoke in the past in favour of this government proceeding with large infrastructure program projects which would allow the people in my communities, in particular the Inuvialuit, to take advantage of this program and invest money they receive through the land claims into developing their own area and assisting the government to develop infrastructure to serve the residents of the communities.

I have a couple of concerns as to how this program would proceed. One of my concerns, Mr. Chairman, is in regard to the process the government would use to tender the projects. I understand that RFPs would probably be the preferred process. From there, we end up with a negotiated contract agreement with the contractor. The way I understand that, it would serve to address the concern that all the benefits stay in the north. No doubt, Cabinet does work toward achieving this through the negotiated contract process. They have said more than once, the Premier has stated, that a negotiated contract, whether following an RFP or through itself, has to be 100 percent northern owned. Well, if we are going to go through that process to that point and we confirm that it is 100 percent northern-owned and northern benefits, I see no reason for MIP or BIP because those two points were addressed through the process of a negotiated contract. The playing field is levelled as the businessmen keep saying it is lopsided. It is levelled at that point in time because they have had the opportunity. They are presumably northerners, and they are presumably going to be hiring northerners. Therefore why should MIP or BIP be involved? If they are good northerners, they will buy northern. If the manufacturers are good northerners, they will not

charge an arm and a leg for their project or their product.

I do not see any need for this gravy train that the business people have been on for years now. That is exactly what it is from the poor man's point of view. That is a gravy train and there is no more need for it. I am glad this government is addressing that through the negotiated contract process and request for proposal process. I do not know if they realize they are doing it, though. That is the only problem. That is why I am not sure Cabinet even realizes they are doing that because they allow all these benefits and programs for the businesses. I think there will be a fair amount of savings to the general public if this point was taken into consideration. We could then realize more profits or more savings to be reinvested back into the public purse.

Those points, I believe, would be addressed most definitely if aboriginal groups were given opportunities to develop their lands and expand the economic development opportunities in their lands through public P3 process, in particular the transportation industry. I know all the communities in my riding are suffering from the high cost of transportation. Anything this government can do toward reducing those costs helps to reduce the social problems as well because it just leaves more money in the pockets of local people.

Therefore, Mr. Chairman, I do support this program. I do support it being transparent, to the public's benefit and

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affordable. Hopefully, the government will direct opportunities toward the aboriginals to take advantage of these projects not only in the large centres but in the smaller centres as well. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Steen. I have Mr. Ootes on the list, but before I recognize Mr. Ootes, I will ask Members who have not spoken yet to speak to each item on the table. But before then, on behalf of Mr. Krutko, in the public gallery, I would like to recognize Tom Williams and Neil Pascal. Welcome.

--Applause

**CHAIRMAN (Mr. Ningark):**

Thank you. Are there Members who have not spoken to this item on the table who wish to speak? Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I would like to indicate that I do support the Public/Private Partnership concept. We have discussed this for some time. There were some Members asking for this particular initiative to come forward prior to Cabinet bringing it forward. We have discussed it, as I indicated, in many different forums and also at the Ordinary Members Caucus level. The motion will be coming forward that I will be supporting which we have all agreed to. Mr. Chairman, in addition to that, I wanted to indicate that I do not believe the larger centres should be kept out of the picture just because they are larger centres. We all should have a chance at these P3 projects. We all have private businesses within our communities that need the business. As well, most of us have local development corporations or local construction notices that belong to the bands or the Metis locals that can go to partnership with larger construction companies and that type of thing. Mr. Chairman, I understand some Members' concerns that the smaller communities should have an equal opportunity and I agree. They should have an equal opportunity, but just because the larger communities are larger, they should not be discounted either.

The other thing I wanted to indicate is that these projects should be spread around and that one community, just for argument's sake, say the community of Iqaluit, should not get ten projects and some place else like Arviat, gets none. The projects, I believe, have to be considered as to where they are going, not just the financial benefits and the rest of this. We also have to ensure they are spread out so all regions can benefit from the initiative.

There are a few other concerns I have. One has to do with potential monopolistic behaviour by the private partners. Private partners can exhibit monopolistic behaviour after the project has been put into place and which may increase the cost in the long run, particularly with longer-term commitments. Sometimes, from past projects we have seen where a developer can have exclusive rights to an infrastructure facility and this, of course, is what we are talking about, a practical monopoly. It could cost more in the long run, so we have to ensure this type of thing does not occur.

Also, I would hope that financing these projects is not done through the regular use of short-term bank loans. We all know that with short-term bank loans you have to pay extra interest costs, so it would be nice if we can figure out a way that these types of costs are not incurred.

Also, to go along with the idea that the project should be spread out, we want to guard against perpetuation of contracts in a sense, so that the same contractors are not in a bunch of different projects with different people, then there is maybe one or two larger companies involved with a huge amount of contracts which creates a monopoly. Hopefully, there will be measures implemented into this as well. The other thing, in Nova Scotia, I understand, the government was recently forced to extend large interest free loans to P3 private partners. The private sector could not raise the funds to cover construction costs as they had anticipated. I would hope that our government takes measures to ensure that we will not be placed in a position of undue risk should a private partner, involved in any particular venture, not be able to fulfil their financial obligations. One other area which I suppose has been brought up at some other time, is the cost of preparing proposals. It does cost money for businesses, for anybody, to put together a proposal, therefore, we must ensure that we are not getting people to put forward proposals and that type of thing if we are not actually going to go ahead with the project. We have to guard against that, because there is no sense in making people spend a bunch of money if it is not necessary. That, Mr. Chairman, once again, I indicate my support for this particular proposal based on Yellowknife getting a few proposals.

--Laughter

Mr. Chairman, as long as there are adequate measures put in place to ensure that projects are spread out and the risks involved are spread out amongst the government and the private partners. We do not want the government to take the most risk and winding up footing the bill in the end. Thank you.

**CHAIRMAN (Mr. Ningark):**

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

**MR. O'BRIEN:**

Thank you, Mr. Chairman. Mr. Chairman, I do support the P3 proposal, but I do think it should be geared toward absolute need for infrastructure such

as schools and health related facilities. For example, the Arviat Health Centre which has been bounced off the list of critically needed facilities for the last number of years like a beach ball. I agree with my colleagues, Mr. Steen, Mr. Ningark and Mr. Krutko that we should pay particular attention to the smaller, less fortunate, off-road communities. This is not to say that the larger communities should be neglected. For the most part, larger regional centres and larger communities like Yellowknife, do very well in looking after themselves and providing their constituents with what they request.

Mr. Chairman, I do support the proposal, whether the proposal is successful or not, and I truly hope that it is and that it gets approved. Projects that are designated for the smaller off-road communities should go ahead at any rate. With that thought in mind, this morning we heard in this House that we will need \$40 million to deal with the pay equity dispute and some other issues and that can be done with a stroke of a pen. If that is the

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case, we can find the necessary dollars to look after the smaller communities and their needs such as hospitals, schools and so on. This is all I have to say. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. O'Brien. If there are no other Members who have not spoken to the Table Document 9-13(5) I will now recognize Mr. Ootes. Before that, any other Members who wish to speak of this matter on the table? Mr. Ootes.

Committee Motion 37-13(5): Implementation of Public/Private Partnership Initiative

**MR. OOTES:**

Thank you, Mr. Chairman. I would like to make a motion.

I move that this committee supports the use of Public/Private Partnerships to develop necessary capital infrastructure in the Northwest Territories;

And further that this committee recommends that the government develop a comprehensive strategy for the implementation of the Public/Private Partnership initiative which will ensure transparency, affordability and accountability;

And further that the implementation strategy should incorporate the following principles.

1. There must be a structured mechanism to ensure that there is regular public input throughout the P3 initiative;
2. That there be a Financial Management Board process that would ensure that the P3 initiative remains affordable and sustainable on a yearly and multi-yearly basis across government;
3. The government should consider establishing a public advisory board for P3 decisions and processes;
4. The contracting policies of the government particularly those for request for proposals, must be reviewed and revised so that the process is transparent and specification and evaluation criteria are clear and objective;
5. Projects must meet the priority infrastructure needs of communities;
6. Standing committees must have an opportunity to review P3 projects before final approval;
7. Projects must be designed so that the public interest is paramount and the public sector maintains appropriate responsibility and control;
8. A project should go to competition only if it has clear objectives, clearly specified requirements and is backed up by a solid business plan;
9. The economic benefits of each project must be determined by the value for money over the life time of the project not by the immediate impact on expenditures;
10. The methods used for the cost benefit analysis and risk assessment for each project must be clear, open and consistently applied;
11. All P3 bidders should be provided with a report card after each competition that rates their submission and gives clear feedback on each element of their bid;
12. The return on investment to the private sector must be in direct relation to the degree of participation, risk and the return on an individual and collective basis must be fair and publicly defensible;

13. The government must ensure that environmental issues are not minimized.

Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Ootes. The motion is in order. It is written and it is circulated to Members. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I would just like to speak for one moment on the motion. The concerns expressed by the Members in their remarks, I believe, are fairly well addressed through this motion. There were many concerns and I think they are identifiable in each of these particular areas. This is a compilation of some comments by Members and also some speaking notes I made in the House about a week and a half ago in this regard and it did address a lot of these areas for explanation if someone wants to refer to them. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Ootes. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Thank you.

--Applause

Does the committee agree that Tabled Document 19-13(5) is concluded?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Ningark):**

Thank you, Members. There being no further business before the committee. I will rise and report progress to the speaker. Thank you.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

**MR. SPEAKER:**

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

**CHAIRMAN (Mr. Ningark):**

Thank you, Mr. Speaker. Good afternoon to you. Your committee has been considering Bill 11,

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Supplementary Appropriation Act, No. 3, 1997-98; Committee Report 6-13(5); Tabled Document 15-13(5); Tabled Document 19-13(5) and would like to report progress with seven motions being adopted and that consideration of Committee Report 6-13(5); Tabled Documents 15-13(5) and 19-13(5) are concluded, and Bill 11, is ready for third reading. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

**MR. SPEAKER:**

Seconded by Mr. Miltenberger. 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. Mr. Todd.

ITEM 21: THIRD READING OF BILLS

BILL 8 Appropriation Act, 1998-99

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I have several third readings of bills this afternoon.

Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe that Bill 8, Appropriation Act, 1998-99, be read for the third time. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 8, has had third reading. Third reading of bills.

BILL 9 Loan Authorization Act, 1998-99

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I move, Mr. Speaker, seconded by the honourable Member for Tu Nedhe that Bill 9, Loan Authorization Act, 1998-99, be read for the third time.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All

those opposed? The motion is carried. Bill 9, has had third reading. Third reading of bills. Mr. Todd.

**HON. JOHN TODD:**

Mr. Speaker, I seek consent to proceed with third reading of Bill 11, Supplementary Appropriation Act No. 3, 1997-1998.

**MR. SPEAKER:**

Thank you. The Member for Keewatin Central is seeking consent to deal with Bill 11. Do we have any nays? There are no nays. Mr. Todd, you have consent.

BILL 11 Supplementary Appropriation Act, No. 3, 1997-98

**HON. JOHN TODD:**

Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe that Bill 11, Supplementary Appropriation Act No. 3, 1997-1998, be read for the third time. Thank you.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried. Bill 11, has had third reading. Third reading of bills. Mr. Todd.

BILL 12 Write-Off of Debts Act, 1997-98

**HON. JOHN TODD:**

Yes, thank you, Mr. Speaker. I move, seconded by the honourable Member of Tu Nedhe that Bill 12, Write-Off of Debts Act, 1997-98, be read for the third time.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 12, has had third reading. Third reading of bills. Mr. Todd.

BILL 13 Forgiveness of Debts Act, 1997-98

**HON. JOHN TODD:**

Thank you, Mr. Speaker. I move, seconded by the honourable Member from Sahtu, that Bill 13, Forgiveness of Debts Act, 1997-1998, be read for the third time.

**MR. SPEAKER:**

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 13, has had third reading. Third reading of bills. Mr. Clerk, would you ascertain if Her Honour, the Commissioner of the Northwest Territories is prepared to enter the Chamber and assent to bills?

**COMMISSIONER HELEN MAKSAGAK:**

As Commissioner of the Northwest Territories, I am pleased to ascent to the following bills: Bill 6, An Act to Amend the Income Tax Act; Bill 8, Appropriation Act, 1998-99; Bill 9, Loan Authorization Act, 1998-99; Bill 10, Miscellaneous Statutes Amendment Act, 1998; Bill 11, Supplementary Appropriation Act, No. 3, 1997-98; Bill 12, Write-Off of Debts Act, 1997-98; Bill 13, Forgiveness of Debts Act, 1997-98; Bill 14, An Act to Amend the Legislative Assembly, Retiring Allowances Act and the Supplementary Retiring Allowances Act. Thank you.

--Applause

**MR. SPEAKER:**

The House will come back to order. Item 22, orders of the day. Mr. Clerk.

**ITEM 22: ORDERS OF THE DAY**

Orders of the day for Wednesday, May 20, 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
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
20. Report of Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

**MR. SPEAKER:**

Thank you. Before adjourning, I would like to thank Her Honour, the Commissioner, for attending today, especially when her dear husband, John, is not in the best of health. Our prayers are with John and Helen today and may God look after John. As always, our appreciation goes to the staff of the Legislative Assembly and the Executive Council, the interpreters, translators and the Pages who have served us so well again during this session.

--Applause

May I wish each and every one of the Members a safe journey home and enjoy the spring season, when it comes to your part of this wonderful territory we live in and represent in this Assembly. The House stands adjourned until 1:30 p.m., Wednesday, May 20, 1998.

--ADJOURNMENT