



**NORTHWEST TERRITORIES  
LEGISLATIVE ASSEMBLY**

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The Honourable **Samuel Gargan**, Speaker

## MEMBERS PRESENT

Honourable Jim Antoine, Honourable Charles Dent, Mr. Erasmus, Honourable Sam Gargan, Mrs. Groenewegen, Mr. Henry, Honourable Stephen Kakfwi, Mr. Krutko, Honourable Michael Miltenberger, Mr. Morin, Mr. Ootes, Mr. Rabesca, Honourable Floyd Roland, Honourable Vince Steen.

## 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. Sam Gargan):

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

## ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 45-13(7): International Year of Older Persons

## HON. FLOYD ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, I would like to update this House on the activities that are taking place in the Northwest Territories to celebrate the International Year of Older Persons, 1999. The International Year of Older Persons has been designated by the United Nations to recognize the important role seniors play in society. The Canadian theme for the year is, Canada, a Society for All Ages.

We are pleased to have the Honourable Flora McDonald with us today. Ms. McDonald is the co-chair of the Canada Coordinating Committee for the International Year of Older Persons. Her co-chair, Mr. Don Harron, is unable to be in the NWT to join in today's celebrations. The Canada Coordinating Committee, which has representation from all the provinces and territories, was formed to encourage participation in activities of the International Year of Older Persons. The committee also helps create sponsorships, partnerships and links among the public, voluntary and private sectors. It encourages collaboration, information exchanges and project coordination across Canada. The committee monitors

and evaluates outcomes of the year and reports on progress to the Ministers responsible for Seniors.

Mr. Speaker, the International Year of Older Persons gives us an excellent opportunity to talk about issues relating to aging. It is also an opportunity to celebrate the many valuable contributions seniors and elders have made, and continue to make every day. Activities are well underway all over Canada, as well as in the Northwest Territories. The NWT/Nunavut Coordinating Committee has been established to coordinate and promote activities that support relationships between the generations and honour our elders.

The NWT/Nunavut representative to the Canada Coordinating Committee is the Right Reverend John Sperry. Bishop Sperry's many years serving the people of the north and his ability to speak both English and Inuktitut, make him a most suitable and effective representative for both the NWT and Nunavut. Many communities have already started to celebrate the International Year of Older Persons. For example, Inuvik has planned a number of activities. These activities include having feasts, dances, games and berry picking events and discussions on nutrition. In Yellowknife, the Yellowknife Seniors' Society is celebrating the year by producing a book of history and stories which reflect the early days of Yellowknifers. This book will not only be an interesting read, but will also be an educational resource for school children.

All Northerners over the age of 60 will receive a special commemorative pin. People over the age of 80 will also receive special recognition and gifts. One of the most exciting events being undertaken in Canada and the Northwest Territories is an oral history project. Elders and seniors will be interviewed and their stories will be recorded on audio or videocassettes by students and other members of the community. The coordinating committee will provide prizes for the best submissions. These will be forwarded to a national competition.

Mr. Speaker, this is but a small sketch of the activities that are underway in the Northwest Territories in honour of the International Year of Older Persons. I would like to encourage NWT communities to take part in activities that will strengthen harmony between generations, and honour our elders. We can support International Year of Older Persons' activities by doing simple things such as hosting a family reunion, volunteering time to support activities for seniors, encouraging information sharing across the

generations, and supporting projects to make communities safe for elders.

I am also pleased to announce that I will be presenting a discussion paper on older women's issues at the meeting of Ministers responsible for Seniors, which is to take place in St. John's, Newfoundland, on June 28. The discussion paper was prepared by the Department of Health and Social Services in consultation with other provincial and territorial governments. It highlights the significant barriers to well-being faced by older women. In closing, Mr. Speaker, I ask that we all take the opportunity to celebrate and promote the International Year of Older Persons and to honour our elders. Thank you. Mahsi cho.

--Applause

**MR. SPEAKER:**

Thank you. Ministers' statements. Mr. Miltenberger.

Minister's Statement 46-13(7): Preserving Aboriginal Languages

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker.

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Mr. Speaker, one of the things that makes the Northwest Territories unique is the variety of aboriginal lifestyles and languages. There is a very real concern about the possible extinction of some of our aboriginal languages. The efforts we have been making are not enough. Before it is too late, it is important that we step back and find a better way to preserve and in some cases revitalize the languages.

Keeping your language is an important part of keeping your culture. We need to recognize the role of family and communities in sustaining language and culture. Our language should be something that you learn on your mother's knee. Schools can support that language development but cannot replace what a child can learn at home.

I met this morning with the participants at the Aboriginal Languages Communities Conference. They include representatives from the Department of Education, Culture and Employment and the language communities as well as the Languages Commissioner. I have asked this group to put their thoughts over the next two days towards the

development of a language strategy. While it should address all official languages, the heart of the strategy must focus on the preservation of aboriginal languages. This strategy cannot be developed in isolation by any one group. The department, Languages Commissioner and the various language communities must all be active participants in its development and in making it a reality.

The strategy needs to look at how we have tried to support languages, Mr. Speaker. We need to determine what has been effective, what has not worked and how we should redesign activities to promote language use and prevent any further loss of language. As a government, we need to make sure our legislation, policies and strategies support the preservation of language. Efforts at the community level also have to focus on preservation and on the family as the key player.

I have asked the conference participants to think about three key issues:

1. How we focus on keeping our unique languages alive and vibrant;
2. How we keep our actions based on family and the community; and
3. How to ensure that government is in tune with language communities.

Mr. Speaker, the purpose of the strategy is not to justify the need for more funding. The strategy will be developed within the budget parameters of the current government budget and any other funds that other interested parties may wish to bring to the table. The people at the table this morning have years of experience and a strong interest in preserving and revitalizing aboriginal languages. They need to be realistic and find what is do-able.

Mr. Speaker, if work goes as planned, we will have an initial draft of the strategy by the fall for comment and consideration. The government and the language communities are really two sides of the same coin trying to preserve languages. We need both parts to work together if we want to be effective and to make a lasting difference. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Ministers' statements. Mr. Roland.

Minister's Statement 47-13(7): Minister Absent From the House

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, I wish to advise Members that the Honourable Jim Antoine is returning from the Deh Cho Territorial Leadership Meeting in Fort Liard and will be arriving late in the House. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Ministers' statements. Item 3, Members' statements. Mrs. Groenewegen.

**ITEM 3: MEMBERS' STATEMENTS**

Member's Statement 132-13(7): Contributions of Seniors to NWT Society

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, today I would like to direct my statement to the issue of seniors living in the Northwest Territories. Our senior citizens bring a special dimension to the quality of life in our communities. In Hay River we have a large contingent of seniors. They are involved in a diverse array of activities, volunteering in the schools, visiting in the hospital, delivering meals on wheels, supporting our service clubs with their efforts and much, much more.

They are organized politically. A force to be reckoned with you might say. They watch the proceedings of this government very carefully. In the near future, we are going to have a Youth Assembly. Young people from our communities will come here and take our seats in this Legislature. It would be very interesting to conduct an Elders Assembly and see what seniors would have to say about the many issues facing our new territory.

As senior citizens of our communities, they are the bastion of historic knowledge about us. If we take the time to listen, they have so many interesting things to tell us about the way things were and even the way things should be. We have benches in front of Riverview Lodge in downtown Hay River. I have enjoyed so much the times I have stopped to sit and chat with a senior that would be sitting there, someone like Lionel Gagnier or Maurice Hyland. Uncle Maurice, as we fondly called him, recently passed away and now I am especially glad for the opportunities I took to sit and visit with him.

I have said this before in this House, but too often we wait until a person has passed on before we stop to honour them. Yesterday I had lunch with Joe McBryan to hear all about his Dad's 80th birthday party. Joe was saying and I totally agree, we need to have more community barbecues, potluck dinners, informal gatherings, not necessarily with any special agenda, just to get together and visit and this would include our seniors.

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I appreciate the special camaraderie I observe at the many community functions which our seniors attend. Besides their monthly meetings in Hay River, they also bowl together once a week. They just care about and look out for each other. In this the International Year of Older Persons, it would be good for every community in our territory to honour our seniors with a special community gathering so they will be reminded once again how important they are in our society.

Mr. Speaker, both of my parents are now deceased. When we were young, we were taught to respect our elders. My parents ran a small town, main street, meat market and grocery store. There were many seniors in our community, many, like when we were kids, we thought Saint Mary's was just one big retirement home. Our store took phone orders for groceries and delivered them to the homes. My Dad was the boss. He was a slave-driver, but my mother would send us off to deliver groceries. Mr. Speaker, I would like to seek unanimous consent to conclude my statement. Thank you.

**MR. SPEAKER:**

The Member for Hay River is seeking unanimous consent to conclude her statement. Do we have any nays? There are no nays. Mrs. Groenewegen, you have unanimous consent.

**MRS. GROENEWEGEN:**

Sorry Mr. Speaker, I was not observing the time. As I said, I can remember my mother often sending us off to deliver groceries and on the way out the door she would mention to us that Mrs. so-and-so sounded rather down today, so please stop and take time to visit for a little while. When we would get back to the store, Dad was always wondering why were we gone for so long and we would get reprimanded for it, but those were very special times.

I hope I can honour their memory by living what they taught us, to more often do a little extra through a kind word or deed for a senior citizen. Mr. Speaker, some days at the age of 42, I feel like a older person, but I cannot be too old because my baby girl is only ten years old today and I think her energy will keep me young for a long time as I observe myself in her. Happy Birthday, Jillian. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Rabesca.

Member's Statement 133-13(7): Passing of Harry Koyina

**MR. RABESCA:**

Thank you, Mr. Speaker. This morning we had the honour to share lunch with elders from Yellowknife and area in celebrating the International Year of Older Persons. I would like to welcome all that attended the luncheon and who are also sitting in the gallery today. Today, Mr. Speaker, the Dogrib Nation lost one of its traditional statesman who also happened to be my father-in-law. Mr. Harry Koyina was born on December 10, 1910, and was raised by his father because his mother died when he was born. He lived with his family on the land where they travelled vast distances by birchbark canoes and dog teams up to the Great Bear Lake area. He also hunted and trapped within the Dogrib area travelling up to Snare Lakes, Wha Ti, Rae Lakes and as far as Fort Simpson and Lutselk'e. Mr. Koyina married Laiza Mantla on July 31, 1936, an arranged marriage by the old chief, traditional name was Kw'ahitzo. Together they had 13 children and all were raised on the land. They taught their children the ways of both cultures, strong like two people.

Mr. Koyina worked for Rae Rock Mine when it first opened and were the last family to leave the site after the mine shut down. In the late 1950's Mr. Koyina was a band counsellor and worked very hard to meet and serve the needs of the people for 13 years. Mr. Koyina was a man who strongly supported and saw the importance of education. He also took great pride in looking after his family and was a good provider. He was always there to help his friends, families and those who needed his help. His wife and children as well as 35 grandchildren and 8eight great-grandchildren survived Mr. Koyina All were touched by his love and his traditional knowledge and the skills

he had to teach and pass on his knowledge. To this day people called him Kw'ahti. He was a very spiritual elder and will be missed by all. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Krutko.

Member's Statement 134-13(7): Shortage of Teachers in Tsiigehtchic

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, I rise today in regard to a grave concern from the residents of Tsiigehtchic. It is in regard to the shortage of teachers in that community. Two weeks ago the principal, Don Rishia, was medevaced out of Tsiigehtchic along with his wife to Yellowknife. Mr. Speaker, since then there has been a shortage of teachers in Tsiigehtchic for the last two weeks and I have received calls from parents of Tsiigehtchic concerned that their children will not be able to conclude the school year because of the shortage of teachers in that community. Mr. Speaker, at the present time the children are not attending school because Tsiigehtchic only has one teacher. Alisha Mortenson is a young lady just out of university and is presently taking care of the children from kindergarten to grade 10. She is presently overworked and she is also trying to play the role of the principal. Mr. Speaker, I do not think it is fair to Ms. Mortenson to do this.

I feel, Mr. Speaker, with the shortage of teachers and also the shortage of staff we find ourselves with in the Beaufort Delta region, that there has to be some effort made to deal with this as an emergency. I strongly feel that we have to make all efforts to assist the community of Tsiigehtchic by bringing in teachers to offset the workload for Ms. Mortenson. Mr. Speaker, at the appropriate time I will be asking the Minister of Education questions on this matter in regard to what does the government do in cases such as this, which as far as I can see is an emergency crisis in a small community, and also for the children of Tsiigehtchic to ensure they are able to conclude their school year. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Members' statements. Mr. Ootes.

Member's Statement 135-13(7): Chamber of Commerce Recommendations on Government Contracting

**MR. OOTES:**

Thank you, Mr. Speaker. I have had several occasions to speak about negotiated contracts and requests for proposals and the concern that is out there. I recently had a

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meeting with the Chamber of Commerce Government Affairs Committee of Yellowknife, on the issue of government contract methods. The chamber is pleased with the Minister's announcements that this is under study and that a report will be issued. The study is by the senior management of the territorial government departments. The committee has adopted several recommendations as a draft policy position. The Government Affairs Committee of the Chamber of Commerce would like to recommend that in the quarterly contracting reports of the government that:

1. They encourage the government to include contracting information for all departments and funded agencies. Funded agencies being such areas as the Housing Corporation, NWT Development Corporation, hospital boards and school boards;
2. They would also like to encourage the government to real-time post the report, when it is available, on its publicly-accessible Web sites, with key definitions;
3. They suggest the government develop a real-time reporting system that allows for the updating of publicly posted data, essentially at the time of the expenditure commitment;
4. The Chamber would like to also meet with the government to discuss possible ways in which the data is stored and presented on the Web site;
5. That the government report all contracts over \$1,000 (rather than the current \$5,000 guideline); finally
6. That the government provide post-contract award report cards for all RFP and tender competitions.

This report card should show a losing bidder's performance per criterion, against the average and standard deviations for that criterion. Initially unsuccessful northern bidders could then see where

they were rated deficient, permitting them to sharpen their future bids for a higher success rate in capturing work. As I said earlier, Mr. Speaker, this subject has been discussed by me on a number of occasions and I wanted to pass on the recommendations of the Yellowknife Chamber of Commerce Government Affairs Committee. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Members' statements. Mr. Henry.

Member's Statement 136-13(7): Rental of Restricted and Adult Movies to Youth

**MR. HENRY:**

Thank you, Mr. Speaker. Recently one of my constituents brought to my attention a bizarre situation that warrants the attention of this government. Presently, in the Northwest Territories, it is illegal for a 12-year-old to attend a restricted movie at a movie theatre unless a parent or guardian accompanies them. However, that same 12-year-old may walk in to any video outlet in the Northwest Territories and without the consent or knowledge of their parents, rent that same movie on video. The present legislation in the Northwest Territories does not prevent children from renting restricted videos and further, the legislation does not prevent video outlets from renting inappropriate videos to children.

Mr. Speaker, there are video outlets that do take it upon themselves to monitor the age of individuals that rent restricted videos and they should be commended for this. However, Mr. Speaker, there are also those outlets that do not monitor the rental of adult and restricted videos to children and it is with these outlets that I have problems.

A possible solution to this problem would be to change the present legislation to require the licensing of video rental outlets. As the NWT uses Alberta's film classification system there would be no cost for doing classifications. It would be the responsibility of the outlet to ensure that the films are labelled appropriately. Mr. Speaker, presently, the Film Classification Act of the Northwest Territories noticeably avoids the mention of addressing video movies. By taking this approach, I can only wonder if this government is saying that renting restricted and adult videos to children is acceptable? Or, Mr.

Speaker, is this government prepared to do something about it? Thank you.

--Applause

**MR. SPEAKER:**

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

**ITEM 4: RETURNS TO ORAL QUESTIONS**

Return To Oral Question 60-13(7): Student Hiring Program

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. I have a return to an oral question on behalf of the Premier, the Honourable Jim Antoine. The question was asked on March 29, 1999, by Mr. Erasmus.

1. What types of plans does this government have in place to ensure that as many students as possible receive jobs when they get back here?
2. Is there going to be a central hiring agency or would the government commit to having a central hiring agency, particularly in a large centre like Yellowknife, so that students do not have to go all over the place with their resumes, just go through one central agency?

Thank you, Mr. Speaker.

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**MR. SPEAKER:**

Returns to oral questions. Mr. Steen.

Return To Oral Question 110-13(7): Report to Minister of PW&S on Issues Raised by Conflict of Interest Commissioner

**HON. VINCE STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, I have a question asked by Mrs. Groenewegen on April 23, 1999.

The decision to proceed with an independent third party review of the issues raised in the Report of the Conflict of Interest Commissioner was taken by the deputy minister of the Department of Public Works and Services, in consultation with the former Minister

of Public Works and Services, the Honourable Floyd Roland.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

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

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, today I would like to recognize a guest who has travelled to the Northwest Territories, the Honourable Flora McDonald, co-chair of the National Committee for the International Year of Older Persons. As well, joining us in the Gallery is Mr. Lloyd Brunes, chairman of the NWT Seniors Advisory Council and Mr. Dusty Miller, member of the NWT Seniors Advisory Council. I must apologize for not having the names of many of the others that joined us for our luncheon that we had, but I would like to welcome them to the gallery.

--Applause

**MR. SPEAKER:**

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

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. I would also like to recognize a constituent of mine from Hay River, Mr. Lloyd Brunes, and thank him for his work with the seniors. Also, my new constituency assistant, Wendy Morgan from Hay River, who has just come to Yellowknife for the first time. Thank you.

**MR. SPEAKER:**

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

**MR. OOTES:**

Thank you, Mr. Speaker. I would like to recognize a number of people, but first I would like to recognize several of my constituents first. Dr. George Gibson and I believe Dusty and Mrs. Miller, but I believe they are in Mr. Henry's riding, so forgive me for that. I will introduce several other people and then Mr. Henry

may wish to introduce some. Pete Fraser, Bea Campbell, Lloyd Bruner, who Mrs. Groenewegen has referenced, Dusty and Mrs. Miller, Gladys Eggenberger, Annie Yourchenko, Diane Mercredi and Cathy Praamsma and that is all we can see from down here, Mr. Speaker. Thank you.

**MR. SPEAKER:**

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

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker. I am no longer sitting beside my colleague, Mr. Ootes, but he still recognizes some of my constituents. I would also like to rise to recognize Mrs. Bea Campbell, president of the NWT Seniors Society and a long-time resident of Fort Smith.

**MR. SPEAKER:**

Thank you. Welcome to the Assembly. Recognition of visitors in the gallery. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Speaker. I do not have a great viewing position from this location, but for all the wonderful residents of Yellowknife South that my colleague, Mr. Ootes, neglected to mention, I would recognize them. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Recognition of visitors in the gallery. Mr. Dent.

**HON. CHARLES DENT:**

Thank you, Mr. Speaker. I think there may be only two other people left that Mr. Ootes forgot to mention.

--Laughter

They are most probably Mr. Ootes's constituents so I had better recognize them on his behalf.

--Laughter

I would like to recognize a pioneer from Yellowknife, Mr. D'arcy Arden, and his wife, June Van Dine.

**MR. SPEAKER:**

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

**MR. KRUTKO:**

Thank you, Mr. Speaker. Just in case we missed somebody, I would like to recognize those people that have not been recognized.

--Applause

**MR. SPEAKER:**

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

**MR. RABESCA:**

Thank you, Mr. Speaker. Mr. Speaker, I, too would like to recognize some long-time associates with some of the elders in Yellowknife, such members as Dusty Miller and a long-time resident of Yellowknife, and no stranger to this Assembly, Mr. Pete Fraser from Yellowknife. Thank you, Mr. Speaker

**MR. SPEAKER:**

Thank you. Recognitions of visitors in the gallery, Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Speaker. While I do not have the opportunity to see who is in the gallery as well as Mr. Henry, I would like to welcome all of the guests up there who are from the Yellowknife North constituency. Thank you.

**MR. SPEAKER:**

Recognition of visitors in the gallery, Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Speaker. I would also like to recognize Pete Fraser, a former Member of the House, a

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resident of Fort Resolution who just moved to Yellowknife, as well as the other elders in the gallery. Thank you.

**MR. SPEAKER:**

Thank you. Item 5, Oral questions. Mr. Erasmus.



## ITEM 6: ORAL QUESTIONS

Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

### **MR. ERASMUS:**

Mr. Speaker, my question is for the Minister of Resources, Wildlife and Economic Development. Mr. Speaker, we heard the other day that the NWT Development Corporation Act stipulates that there must be a minimum of seven board members appointed at any one time. On Friday, the Minister for the NWT Development Corporation said that it was not really a breach to have less than a full board, that Members have resigned because of division, so the board has less than the minimum required. When he was asked when there last was a minimum of seven board members, he indicated he did not know so he took the question as notice.

On Monday, in reply to another question, he said that there had only been five board members since 1996, which of course we all know is less than seven. There had been only five board members since 1996 even though the staff had brought this up several times. What he was saying, is that since he is the person responsible for appointing board members, is that he had refused to adhere to the act for at least two years. He deliberately disregarded the act where it says there are supposed to be seven board members, so what I would like to ask the Minister is, who advises the Minister which parts of the act to adhere to and which parts to disregard? Thank you.

### **MR. SPEAKER:**

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

Return To Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

### **HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, the board members of the Development Corporation are appointed by the Commissioner, Executive Council. My job as a Minister is to politically ask Members of the Legislature to forward names for consideration by Cabinet for appointment to the board. I have been doing that since my appointment to this portfolio, and Members have not always come up with names. We have waited, sometimes months, for good names to come forward. The president of the Development Corporation, in my view, is the chief executive officer

of the Corporation and it is the president that has been advising me over the last few years when we have not had a minimum of seven appointed. Each time that was done, letters were sent out to Members of the Legislature asking for nominees to be put forward.

My understanding is that a breach is considered, at least by the legal advice I have received to date, perhaps too strong a term. Not complying with the act is much more my preference. So we have not been complying with the act in making sure the minimum of seven were, but there is absolutely no doubt there has been a concerted effort on my part to make sure the Executive Council was able to comply with the act by trying to advance names, by soliciting names from Members, and by sending letters out. That has been, in summary, what we have been doing. It is my view that Cabinet is responsible for ensuring that the board is properly constituted at all times. It is not the prerogative of the president or myself as a Minister to advance names, appoint names without politically seeking the support and nominees from the Members of the Legislature, and we also require that the Cabinet endorses and appoints those members. Thank you.

### **MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

### **MR. ERASMUS:**

Thank you, Mr. Speaker. I had asked the Minister who advises him on which parts of the act to adhere to and which parts to disregard, but he disregarded that question and did not answer it, so what I will ask him now, is what criteria he uses when he wants to disregard an act that governs his department or Crown corporation that he is responsible for? Thank you.

### **MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

### **HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, there is no intent on my part as a Minister, no intent on the part of

Cabinet, not to comply with the act as it is set out. There is no intent whatsoever, thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Erasmus.

Supplementary To Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

**MR. ERASMUS:**

Thank you, Mr. Speaker. The Minister indicated there was no intent to disregard any part of any act. At this time then, I would like to ask the Minister if he wants to inform us of any other parts of the NWT Development Corporation Act that he is currently disregarding.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 132-13(7): Vacancies on NWT Development Corporation Board of Directors

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, if the Member is fishing then I do not think it is the responsible way to go. If there is something specific that he wishes to ask me about, I would be quite happy to try and answer the question. Members of the Legislature should be aware that following concerns by the auditor general, the Financial Management Board, in February, directed that I undertake an operational audit of the Development Corporation. That is underway at this time, it will be conducted and we will look at the way the Development Corporation has operated in the last few years, since there are major concerns with the auditor general that need to be addressed. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr.

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Erasmus.

Point of Order

**MR. ERASMUS:**

Thank you, Mr. Speaker. I rise on a point of order. The Minister had indicated that I am fishing. I do not

stand here today with any fishing gear in my hands. I stand here asking him questions and replies to the answers he is giving us. Thank you.

**MR. SPEAKER:**

Are you going to come up with your point of order? Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Speaker. I had intended to mention that the Minister is inferring motives that I am simply fishing. I am simply asking questions in response to the answers that he is providing and that is all I am doing. Thank you.

**MR. SPEAKER:**

Thank you. There is nothing there to impute motive. Again, perhaps the Member is overreacting. These are normal questions and normal responses by the Minister. In all jurisdictions the Members ask questions, they are fishing, or they might not be fishing, but normally that is the principle of question period is to ask, to fish and to do whatever you can to get the fish. There is no point of order. Oral questions. Mr. Krutko.

Question 133-13(7): Shortage of Teachers in Tsiigehtchic

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Education, Culture and Employment, Mr. Miltenberger. It is in regard to the Member's statement that I made where the community of Tsiigehtchic find themselves in a pretty grave situation, where they have lost their principal and also a teacher because of a medical emergency. The individual was medevaced out of Tsiigehtchic along with his wife, and who may not be returning because of the emergency. Mr. Speaker, I would like to ask the Minister exactly what can his department do to assist the community of Tsiigehtchic? They have not heard anything back from the divisional board of education in Inuvik, they have not gone into the community to see how they can assist, so I would like to ask the Minister what can he do as the Minister of Education to assist the community of Tsiigehtchic in this grave time of emergency, especially in consideration of the quality of education and the welfare of the children of Tsiigehtchic to conclude this school year? Can the Minister state exactly what he can do to assist the community of Tsiigehtchic?

**MR. SPEAKER:**

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

Return To Question 133-13(7): Shortage of Teachers  
in Tsiigehtchic

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker. Mr. Speaker, I first became aware of this issue as the Member was making his statement and what I can tell the Member is that, in fact, senior officials from the department here are in contact with the DEC. We are aware of the situation and we are attempting to locate teachers as we speak until at least the end of the school year. We will see what happens with the medical emergency that my colleague mentioned and we are going to be making every effort to try to find from a rapidly shrinking pool, mind you, of teachers, to go in to fill in as soon as we possibly can so that, in fact, there is no loss of any educational time in the community. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 133-13(7): Shortage of  
Teachers in Tsiigehtchic

**MR. KRUTKO:**

Thank you, Mr. Speaker. I am glad to hear that from the Minister, but I would like to get some assurances from the Minister that the individuals that they do send into the community are qualified and do have their doctorate in education, or whatnot, so we do have qualified teachers in the community to assist at this time.

**MR. SPEAKER:**

Mr. Miltenberger.

Further Return To Question 133-13(7): Shortage of  
Teachers in Tsiigehtchic

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker. Mr. Speaker, this is a fast-breaking issue. My latest note is, in fact, that there are a couple of teachers being interviewed tonight about possibly going up to the community. We are hopeful that we can get teachers in there in the next day or so to address this issue. I will make a

commitment, as well, to keep the Member fully apprised of all and any developments that are happening in this regard, now that I am aware of it. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 133-13(7): Shortage of  
Teachers in Tsiigehtchic

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, in regard to this incident, which is an emergency, I believe that no one knew that this would happen, I would like to ask the Minister since the community was without a principal and a teacher for two weeks, does the department have a policy to deal with such emergencies, so when there is an incident such as this in Tsiigehtchic that the government can respond a lot faster to fill in these vacancies?

**MR. SPEAKER:**

Thank you. Mr. Miltenberger.

Further Return To Question 133-13(7): Shortage of  
Teachers in Tsiigehtchic

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker. I must confess I am not aware of a policy, if one exists. I know that our intent is that when an emergency arises we bring all of our resources and forces to bear to try to deal with it. We do not have a pool of teachers that we can just tap into that are on a sort of casual substitute basis, unfortunately, but the department, like all departments in the government, wants to respond as quickly and expediently as it can to any emergency that arises, such as this. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

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Supplementary To Question 133-13(7): Shortage of  
Teachers in Tsiigehtchic

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, I believe this is an incident where I would suggest maybe we

consider, or the Minister considers, looking at such a policy so that when other emergencies do occur in the future that this department is prepared and ready to deal with the incident, and that we have some contingency plans in place so that we are able to react a lot sooner.

**MR. SPEAKER:**

Thank you. Mr. Miltenberger.

Further Return To Question 133-13(7): Shortage of Teachers in Tsiighehtchic

**HON. MICHAEL MILTENBERGER:**

Thank you, Mr. Speaker. I am always ready to take good suggestions like my colleague has put on the table and I will take that suggestion to my department and we will look at what we can do to, in fact, make sure that we are prepared. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Ootes.

Question 134-13(7): Appointment of Development Corporation Presidents

**MR. OOTES:**

Thank you, Mr. Speaker. There has been some questioning the day before yesterday, yesterday and today on the Development Corporation of the Northwest Territories and the Minister mentioned earlier that some methodology by which members are appointed to the board. I have a number of questions on the Development Corporation, Mr. Speaker. Some concern the board and some concern the reference to some financial matters. My first question, though, concerns the appointment of the executives. Could the Minister tell me how and who appointed the previous president, I believe, of the corporation, Mr. Soloy?

**MR. SPEAKER:**

Thank you. Again I want to remind the Members that you could be having another question besides the appointment to the board. If it is, it will be a new question. I will not allow the Members to have two different questions in the same if you have a preamble, you say your preamble and then three supplementaries on that. The Minister of Resources, Wildlife and Economic Development, Mr. Kakfwi.

Return To Question 134-13(7): Appointment of Development Corporation Presidents

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, I believe the former Premier made the decision to appoint Mr. Soloy. The present Premier made the decision to appoint Mr. Koe as the new president. The decision to have Mr. Soloy terminate his employment with our government was initiated by our Premier in consultation with myself. Thank you.

**MR. SPEAKER:**

Oral questions. Point of order. Mr. Morin.

Point of Order

**MR. MORIN:**

Thank you, Mr. Speaker. Point of order, Mr. Speaker. I believe that this Minister is deliberately misleading this House and the reason I say that, Mr. Speaker, is when he answered my colleague just a few minutes ago on board appointments he said at that time it is the responsibility of Cabinet to do that, of Cabinet and Executive Council. Those were his exact words. Now, in answering Mr. Ootes on his question, he is saying it is the responsibility of the Premier to do that. Ultimately, it is the recommendation of any given Minister that is in charge of the responsibility to Cabinet. Then Cabinet will pass a motion on whether or not they accept that. By doing this and saying this he is deliberately misleading this House. Thank you, Mr. Speaker.

**MR. SPEAKER:**

I would like to remind the Members, first of all, regarding information and decisions of Cabinet, Members must not ask or seek information about matters that are secret, such as the decision or proceedings of Cabinet. Also, with regard to the reference to Premiers, we have Members in this House that have served in those capacities and it is a very delicate and dangerous situation in which we have to be careful how we address questions, as well as respond, knowing full well that we do have Members that have served on Cabinet, as well as served as Ordinary Members. We do not have a point of order, but I would be very careful on how we ask questions. If Members wish to ask questions on the legislation that governs certain departments and the responsibility of those Ministers in those areas, then you can ask, but for Members to ask on

proceedings of Cabinet, it will not be allowed. Oral questions. Mr. Ootes. Mr. Henry.

Question 135-13(7): Rental of Restricted and Adult Movies to Youth

**MR. HENRY:**

Thank you, Mr. Speaker. I will lighten up just a little bit. My question is to the Minister responsible for Municipal and Community Affairs, Mr. Steen. Earlier today I expressed concerns about the lack of legislation in the Northwest Territories preventing the rental of restricted adult videos to children. Other jurisdictions in Canada have included provisions for restricting video rentals in their motion picture legislation. Recently the NWT revised its legislation dealing with movie classifications. I was wondering if the Minister could supply the rationale as to why video movies were not addressed in that new legislation? Thank you, Mr. Speaker.

**MR. SPEAKER:**

I do not know if we have any jurisdiction regarding the licensing of videos, but Mr. Steen, do you wish to answer? The Minister of Municipal and Community Affairs.

Return To Question 135-13(7): Rental of Restricted and Adult Movies to Youth

**HON. VINCE STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, I do not have that information and I will try and get back to the Member. The question is taken as notice.

**MR. SPEAKER:**

The question is taken as notice. Oral questions. Mr. Morin.

Question 136-13(7): Tulita Hotel Project

**MR. MORIN:**

Thank you, Mr. Speaker. I have a question for the Minister of RWED. Mr. Minister, I know that you are very busy and I know that you cannot pay attention to the complete details of every given nook and cranny of your department, but I also

see from the presentation that was given to our committee that the Sahtu region, which you are also MLA for, has several projects from the NWT Development Corporation. One of those projects is called Two River Development Group Ltd., Tulita Hotel. Is the Minister aware of this project and, if so, has the Minister ever been involved in any decision-making on this project? Thank you.

**MR. SPEAKER:**

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

Return To Question 136-13(7): Tulita Hotel Project

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, I am aware of the project and generally the history, the development of the project at the time that the department and the Development Corporation were, perhaps, asked to intervene. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Morin.

Supplementary To Question 136-13(7): Tulita Hotel Project

**MR. MORIN:**

Thank you, Mr. Speaker. Was the Minister's office involved in giving any direction for this project, Two River Development Group Ltd., Tulita Hotel? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 136-13(7): Tulita Hotel Project

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. The project in Tulita was a community initiative that sought to establish a hotel in the community, a community that required a hotel to be established. As I recall, the project was underway and construction had already started when, because of design deficiencies, there were cost overruns that were incurred and the government, I think myself as a Minister, was approached for assistance. The question was put to the department and I believe

discussions were held with the Development Corporation as well that saw both the department and the Development Corporation initiate some action to address the difficulties that that project faced in the latter part of construction. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary. Mr. Morin.

Supplementary To Question 136-13(7): Tulita Hotel Project

**MR. MORIN:**

Thank you, Mr. Speaker, and I thank the Minister for the answer and I commend the department as well as the Development Corporation for assisting the community of Tulita. It is a community project. The Minister gave us quite a bit of detail on this community project in the Sahtu. Does the Minister pay more attention to the detail of the projects in his riding than they do in any other riding? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 136-13(7): Tulita Hotel Project

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. I would like to think that I pay attention to all the community initiatives and projects that I am responsible for. I have been advised that some Members of the Legislature were keenly interested in looking for a possible reason which I, as a Minister, may have tried to keep heavy benefits in my constituency as a result of myself being responsible for the Development Corporation and the Department of Resources, Wildlife and Economic Development. So I had, some time ago, reviewed all areas where money had been spent in my department and in the Development Corporation in my constituency to see if, inadvertently, I might have used my position.

**MR. SPEAKER:**

Point of order, Mr. Morin.

Point of Order

**MR. MORIN:**

Thank you, Mr. Speaker. On a point of order, the Minister just said that there were Members on this side of the House basically that are looking to see if he was basically pork-barrelling his riding as a Minister, to put it in simple words. Mr. Speaker, the only reason that we ask questions from this side of the House is to get information. This Minister is no different than any other Member on this side of the House. He has every right to have money, government money, spent in his riding. There is no question about that. So I take issue, Mr. Speaker, on him imputing motives. All we are doing is asking for information. I do not care if he spends money in his riding, as long as proper programs and proper policies are followed in this government, money can be spent in the Sahtu, and it should be spent in the Sahtu just like it should be spent in any other riding. But I do take issue, Mr. Speaker, on him imputing the motive that what we are doing is trying to show the public in general that he is pork-barrelling. Thank you.

**MR. SPEAKER:**

Again, we do not have a point of order. The Minister is only responding to what the Member for Tu Nedhe said. You have to be careful when you make reference to imputing a motive. That line with regard to imputing motive or casting aspirations upon any person could be seen if the Member for Tu Nedhe is suggesting that he is paying special attention to his constituency as a Minister. That is imputing a motive. The Minister is only responding to what would be considered, like, if any Member rose on a point, then there might have been imputing a motive here. But the Minister is only responding to what would be considered that motive. Mr. Kakfwi, I know that you were still responding when there was a point of order raised.

**HON. STEPHEN KAKFWI:**

Mr. Speaker, the good members of the public as well as this Legislature, I think, always have to be vigilant in ensuring that, as Ministers, we go about carrying out our duties as fairly and as impartially as possible. So it holds equally that those that may hypothetically want to see my demise are in the same position as those who want to see me excel in my ministerial duties by pointing out those things that I am doing deficiently and those things I am sort of going overboard on, to make sure that all of us remain vigilant in ensuring that we, as Ministers, carry out our duties in as fair a way as possible. I take that very seriously. That is why I always ask my staff to make sure the decisions that I make and am involved in are

always reviewed by everyone that I work with to ensure that there is no way that anyone can impute that I am doing it for self-serving reasons. Thank you.

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**MR. SPEAKER:**

Oral questions. Mrs. Groenewegen.

Question 137-13(7): Oil and Gas Exploration

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Resources, Wildlife and Economic Development. It has to do with oil and gas exploration. On a very positive note, we have much activity going on in the south Mackenzie in the area of oil and gas exploration. What role does this government play in the approval process for applications for oil and gas exploration, companies coming in from other jurisdictions to perform oil and gas exploration? Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Return To Question 137-13(7): Oil and Gas Exploration

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. This government has no jurisdiction in regard to land and waters, exploration permits, any type of authority governing the activities of oil and gas and exploration companies in the Northwest Territories. What our department does is keep informed about the interest, the environment under which exploration companies have to operate, to lobby for benefits for communities to ensure that the oil companies, as well as our communities and business people, have the best possible environment under which to engage in business dialogue so that any possible benefits, if there are to be any, can be reaped by our people here in the north. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary. Mrs Groenewegen.

Supplementary To Question 137-13(7): Oil and Gas Exploration

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. If not in the approval process, does our government have any role to play whereby the benefits to which the Minister is referring are ensured through the application process? Is there anything in the actual application process which guarantees or requires or makes it mandatory that northerners and northern companies benefit from these operations taking place in our territory? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 137-13(7): Oil and Gas Exploration

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. There are different processes that are followed. In the case of lands that are covered by comprehensive claims agreements, very often the benefits packages are expected to be negotiated with the claimant groups. In cases outside regions like the Deh Cho and the South Slave, particularly Deh Cho, where there is no claim in place, federal legislation covers the benefits that should flow to communities that are neighbouring the area where the exploration permit is granted, or the exploration licence. And very often, the exploration licence is granted and then the company is expected, after the fact, to negotiate a benefits package with communities. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary. Mrs. Groenewegen.

Supplementary To Question 137-13(7): Oil and Gas Exploration

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, does the Minister, through his department, have any way of policing or following up, monitoring would be a better word, whether or not these negotiations with the beneficiary communities are followed through on by these companies after the fact? After their application has been approved and they have commenced work in the area what, if any, monitoring function does this government have? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 137-13(7): Oil and Gas Exploration

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. We do not have any monitoring function, but we do keep in touch with the oil companies, the companies operating and the communities involved to ensure that the relationship, that if there is one, and the commitments made by the two parties are adhered to and if there are difficulties, then to offer our support and assistance to make sure that the benefits and the commitments made, the understanding that is reached, is adhered to by both parties. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary. Mrs. Groenewegen.

Supplementary To Question 137-13(7): Oil and Gas Exploration

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, in some instances where drilling and oil and gas exploration companies have come into the Northwest Territories, I have heard from my constituents, business constituents in Hay River, that their names, their company names were used as a part of an application process. They were not always aware that their company name was being used as a supplier of goods or services and that they may have inadvertently or coincidentally come upon this information. Is there any process or activity of the Minister's department that could close that gap and preclude that kind of thing from happening? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 137-13(7): Oil and Gas Exploration

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. I believe that we can look at this with the federal government, federal officials that work to make sure that their federal legislation is complied with, to see what we can do to make sure

that it is actually being complied with and benefits are to flow and people are mentioned as possible beneficiaries of exploration programs that they, in fact, are real beneficiaries. Thank you.

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**MR. SPEAKER:**

Oral questions. Mr. Krutko.

Question 138-13(7): Treatment Referral Methods

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, in regard to the question I asked the Minister of Health and Social Services, Mr. Roland, on Friday, April 23rd, 1999, support for the Tl'oondih Healing Society, the Minister states, "I would like to assure Members that the department is in no way intending to centralize the services that are out there." But, Mr. Speaker, I received a letter from the Inuvik Regional Health Board in which they moved a motion which basically states that the Inuvik Regional Health and Social Services Boards wish to express their concerns with the Department of Health and Social Services decision to give all health treatment per diem rates directly to Nats' ejee K'eh treatment facility, and we feel that equitable responsibility of their treatment services may be affected because there is no cost effort to individual boards. Then there is a motion which was passed that directs that the Minister be asked to return northern referral treatment dollars to Inuvik Region Health and Social Services Board for administration of our regional needs. I would like to ask the Minister, on the one hand, he is saying that there are no drastic changes to the Department of Health and Social Services when it comes to treatment dollars, yet there is a motion from the Inuvik Regional Health Board which states exactly that is happening. Can the Minister state exactly what is happening within his department?

**MR. SPEAKER:**

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

Return To Question 138-13(7): Treatment Referral Methods

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. I do indeed stand by what I said earlier in response to the Member on a question



of funding that we are not intending to centralize the services provided to residents of the Northwest Territories. This is an interim measure that was taken in respect to the funding situation and concerns raised with one of our facilities in the territories. The referrals for treatment to the facility will continue to be processed by the boards and, at this existing time, I have been made aware that funding is being held at headquarters, but the referral process will still happen through the boards. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 138-13(7): Treatment Referral Methods

**MR. KRUTKO:**

Thank you, Mr. Speaker. I, for one, thought this government was looking in the way of community empowerment and regionalizing programs and services to assist regions and communities to deal with their problems at home or within the region. So does this Minister state that there will be no opportunities in the future for regional health boards or regional organizations to take on the role of dealing with alcohol and drug treatment in the regional centres?

**MR. SPEAKER:**

Mr. Roland.

Further Return To Question 138-13(7): Treatment Referral Methods

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, I, as Minister responsible for the Department of Health and Social Services, am not and will not be doing work or directing the staff to be working in any way which would reduce services to the regions. In fact, we will continue to see what we can do to improve services in the region. The step that has been taken has just been a recent and interim measure as a result of concerns raised with, as I said earlier, one of our facilities and its possible re-profiling which remains or leaves us, in this territory, with one facility. But we will be looking at how we provide services to residents in regions and communities, and that will also be looked at part of the Minister's Forum that will be going out this spring. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Krutko.

Supplementary To Question 138-13(7): Treatment Referral Methods

**MR. KRUTKO:**

Thank you, Mr. Speaker. Mr. Speaker, in regard to the Minister's Forum dealing with health and social services, the Minister states that they will be considering health services and drug and alcohol programs as part of the criteria for this committee to consider. Are there any other drastic changes that we can be made aware of which are presently in the works before this committee gets struck and goes out for public hearings?

**MR. SPEAKER:**

Mr. Roland.

Further Return To Question 138-13(7): Treatment Referral Methods

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. Mr. Speaker, this incident that has happened with the referral dollars being held at headquarters is a temporary one and will not be happening for the long term. As I said earlier, we are looking at the impacts of re-profiling a facility. I have committed again, as stated by the Member, that through the Minister's Forum that will be going out, we will be looking at how we deliver services to regions and communities and how we can best get the quality that the people are looking for without having an impact on the dollars that are available today. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Krutko.

Supplementary To Question 138-13(7): Treatment Referral Methods

**MR. KRUTKO:**

Thank you, Mr. Speaker. Can the Minister tell me what is the status of the other alcohol treatment centres which are presently out there? If this is an emergency situation, what implications does this have on the other treatment facilities which we presently have in the Northwest Territories such as the ones in

Yellowknife and the Hay River treatment facilities?  
Can the Minister tell me exactly what is the problem with these treatment facilities we presently have in place?

**MR. SPEAKER:**

Mr. Roland.

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Further Return To Question 138-13(7): Treatment Referral Methods

**HON. FLOYD ROLAND:**

Thank you, Mr. Speaker. The facilities we have in the Northwest Territories, the one in Hay River, Nats' Ejee K'eh, is operating in a satisfactory manner and will continue to do so. I believe that their program is highly subscribed to and will continue to be so. The NAS facility is undergoing some review as to what we can, as the Department of Health and Social Services, carry out at that facility, and that is ongoing at this time. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Oral questions. Mr. Ootes.

Question 139-13(7): Auditor General's Report on Development Corporation Operations

**MR. OOTES:**

Thank you, Mr. Speaker. I would like to again address some questions to the Minister of Resources, Wildlife and Economic Development on the matter of the NWT Development Corporation. The auditor general, Mr. Speaker, prepared a report for March, 1996, which was issued in the summer of 1997 and made available to us that fall. In that report, the auditor general, in the early part of his review of the Development Corporation, made reference to a number of areas. The first one was, it said "set specific measurable objectives for each business or corporate activity as part of the overall mandate". My question for the Minister is, were measurable objectives prepared by the board and the president of the Development Corporation for the marketing operations in the south? Thank you.

**MR. SPEAKER:**

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

Return To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Following the concerns by the auditor general in his report that was given to us as a government, there were procedures set out for approving the business plans of each of the subsidiaries. We asked that each subsidiary develop a business plan which would include all the financial information including projected revenues and expenses, that these plans would then be reviewed and evaluated by the subsidiary managers and the business advisors within the NWT Development Corporation. The business plans would then go and be reviewed and approved by the corporation president and given then to the board of directors for their consideration and approval. It would then also go to the Minister and the Financial Management Board. We also set out that the Minister should submit a list of the recommended contribution agreements for each subsidiary to the Financial Management Board for approval. Those were the processes used in considering the measurable objectives that were asked for by the auditor general.

For the marketing operations down south, one of the major indicators of success, we thought, was the amount of sales generated and if those exceeded the cost of operations, that would tell us whether we are making a profit or not. I am not sure if Members are aware, but we did set up these outlets so that there were weekly and monthly figures coming out, so that the president could monitor very closely the performance of each of these outlets down to the point of tracking the sales. The fact is, all these outlets, even with subsidies, were losing money generously. That led to the decision by the executive of the Arctic Canada Trading Company to begin shutting down those outlets and for Arctic Canada Trading to look at other ways to market and sell our products. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**MR. OOTES:**

Thank you. Mr. Speaker, my question related to whether objectives were prepared. I am wondering if the Minister could tell us, did the board and the officials meet that objective on a consistent basis from the time the auditor general's report was prepared? Thank you.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**HON. STEPHEN KAKFWI:**

Mr. Speaker, I am not able to answer the Member comprehensively. As I said earlier today, in February the Financial Management Board met, and it was decided, at that time, to allow me to do an operational audit of the Development Corporation because of the concerns that were expressed by the auditor general and the concerns that were raised within the government as well about the operations of the Development Corporation, particularly in regard to our ability to respond to the concerns raised by the auditor general over the last few years. Thank you.

**MR. SPEAKER:**

Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**MR. OOTES:**

Thank you, Mr. Speaker. The Minister Mentioned that the investment exceeded the expectations and the return of the southern operations. Could he clarify that for us please?

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**HON. STEPHEN KAKFWI:**

Mr. Speaker, I am able to tell Members that none of the outlets were making money, that we ventured out

into the private world, private business, and our outlets were losing money in a big way. Due to an extreme shortage of money we needed to shore up our operations and to do it as quickly as possible, but there are other projects and there are communities that are asking the Development Corporation to look at different initiatives and projects that require additional funds that we are unable to respond to at this time. Therefore, it is necessary, as Members know, to make sure that where public dollars are being spent, that they are being managed and being spent in the most prudent and wise way possible. Again, the operational audit is being conducted on the Development Corporation and all these questions will be

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addressed in an orderly way. Thank you.

**MR. SPEAKER:**

Oral questions. Final supplementary, Mr. Ootes.

Supplementary To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**MR. OOTES:**

Could the Minister tell me if any northerners were employed on a day-to-day basis in the southern outlets?

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 139-13(7): Auditor General's Report on Development Corporation Operations

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. I am not privy to the information about who were hired and what qualifications were used, what criteria, but I understand these were all people who lived in Calgary, Toronto, Vancouver, and Victoria who worked in these places. Thank you.

**MR. SPEAKER:**

Oral questions. Mr. Henry.

Question 140-13(7): Development Corporation Project Evaluation Criteria

**MR. HENRY:**

Thank you, Mr. Speaker. We have heard many questions posed to the Minister of Resources, Wildlife and Economic Development, and I believe I was the only one who has not asked him any questions, so I would not want him to feel left out. So I will address my question to him, Mr. Speaker. The Minister and his officials, sometime ago, made a presentation to the Infrastructure and Resources Committee on the Development Corporation, which I found most informative. Mr. Speaker, it was clear then and it is even more clear in the Main Estimates that we are looking at that there is a lack of funds to support the present corporation's endeavour, not to mention looking at new programs. Mr. Speaker, my question to the Minister is, could the Minister tell the House how proposals for funding are evaluated for consideration by the corporation to joint venture with or to financially support? Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

Return To Question 140-13(7): Development Corporation Project Evaluation Criteria

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Mr. Speaker, I believe that there is some criteria that the Development Corporation uses to decide which projects to become involved in. What type of subsidiaries or initiatives that could be supported. For instance, we get involved in buying shares in certain businesses and we become partners in certain business initiatives.

How those decisions are made, I would have to provide that to Members at a later date as I am not privy to the exact criteria that are used. For instance, if subsidies are going to be provided, what is the percentage of the subsidy in relation to the overall cost of the operation. That is one of the issues that is going to be raised. As I said, some of the subsidies that we fund, all of them have subsidies that are approved to the level by the Financial Management Board. In some cases, the amount of funding that is directed by the Development Corporation to the subsidiaries has gone far beyond the level that was approved by the Financial Management Board. We

are working on that to make sure we operate in a way that is acceptable to the FMB and to the Auditor General of Canada. Thank you.

**MR. SPEAKER:**

Question period is over. Mr. Henry do you wish a final question? Supplementary, Mr. Henry.

Supplementary To Question 140-13(7): Development Corporation Project Evaluation Criteria

**MR. HENRY:**

Thank you, Mr. Speaker. Mr. Speaker, we have heard many times about having funds evenly distributed in this House between the regions. Can the Minister tell us if the Development Corporation funds are evenly distributed through all the regions of the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:**

Mr. Kakfwi.

Further Return To Question 140-13(7): Development Corporation Project Evaluation Criteria

**HON. STEPHEN KAKFWI:**

Thank you, Mr. Speaker. Some of the subsidiaries that we have operating in our communities require less than \$100,000. For instance, one particular community would take \$93,000 as an operating subsidy. Others would be approved for \$380,000, in fact, in excess of \$700,000 and the projections are even higher as to perhaps exceed \$1 million. We are working to make sure that the subsidiaries operate within acceptable guidelines and that we are not taking money from other places in order to off-set the losses that some of them incur. That the subsidiaries should operate within an approved amount each given year and that if they are not, then it is the responsibility of the Development Corporation and the board to set up a plan to address this. As I have said earlier, there are other communities and other initiatives that could be funded if we shore up our present operations and make sure that they do not become a drain on the very limited resources we have at this time.

In response to the Member's question, we do not allocate on a regional basis or on a community basis. It is a first-come, first-served basis. The different subsidiaries have been set up so there is no way that we can say that it is not fair the way in which we

disburse the funds that the Development Corporation has to operate with. Thank you.

**MR. SPEAKER:**

Item 7, written questions. Mr. Krutko.

ITEM 7: WRITTEN QUESTIONS

Written Question 4-13(7): Decentralization of Human Resources Functions to Departments

**MR. KRUTKO:**

My question is to the Premier, Jim Antoine.

1. Was the decision to decentralize personnel functions to the departments a cost-saving measure? How much is being

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spent annually for all human resources costs (staffing, advertising, et cetera) currently compared to what was spent prior to decentralization?

2. Is there evidence that the quality of service has improved since decentralization?

3. How many people were staffed in the Personnel Department prior to decentralization?

4. How many people are currently staffed in the area of human resources in each department?

5. Prior to decentralization, how many aboriginal senior staff were in the Personnel Department and in Financial Management Board Secretariat (FMBS)? How many senior human resources personnel in this government are non-aboriginal?

6. Since the decentralization of the Personnel Department, how many appeals have been filed annually? How many have been upheld?

7. What training has been provided to departmental human resources staff?

8. Have there been any government-wide professional development initiatives?

9. How is consistency of the staffing process being maintained across the GNWT?

10. Who is responsible to deal with individual complaints from the public or to respond to technical questions from human resources staff?

11. What are the current affirmative action statistics by position in each department? What were the affirmative action statistics prior to decentralization for each department?

12. Is there evidence that human resources services have improved to each department and the general public since decentralization?

13. Since the decentralization of Personnel, is there evidence that the relationship between the general public and the government has improved?

14. Is there any evidence that the departments and the general public view the staffing process as more positive now as compared to before decentralization?

15. Are staffing procedures consistent throughout the Government of the Northwest Territories?

16. Who has the authority to ensure staffing procedures are consistent among the departments?

17. Where can a person go if they want to file a complaint in relation to the staffing procedures for various departments?

**MR. SPEAKER:**

Written questions. Item 8, returns to written questions. Mr. Steen.

ITEM 8: RETURNS TO WRITTEN QUESTIONS

Return To Written Question 1-13(7): Report to Minister of Public Works and Services on Issues Raised by the Conflict of Interest Commissioner

**HON. VINCE STEEN:**

Thank you, Mr. Speaker. Mr. Speaker, I have a return to written question asked by Mrs. Groenewegen on April 23, 1999.

Report of the Minister of Public Works and Services on Issues Raised by the Conflict of Interest Commissioner

1. The decision to proceed with an independent third party review of the issues raised in the Report of the Conflict of Interest Commissioner was taken by the deputy minister of the Department of Public Works and Services in consultation with the former Minister of Public Works and Services, the Honourable Floyd Roland.

2. The legal consultant was recommended by the Financial Management Board Secretariat and chosen by the Department of Public Works and Services after consultation with the Department of Justice. Cabinet approved award of the negotiated contract on February 12, 1999.

3. The review was conducted by Mr. Graham McLennan, a partner in McLennan Ross, a well respected Edmonton law firm with expertise in labour law. Mr. McLennan is a Member of the Law Societies of Alberta and the Northwest Territories and has extensive experience at all levels of the court system, as well as boards of inquiry. He was appointed as an Inquiry Officer under the Expropriations Act of Alberta in 1993, acted as co-counsel for a major participant at the public inquiry into the collapse of the Principal Group of Companies and is co-counsel for the RCMP Public Inquiries Commission.

4. The cost of the review was approximately \$47,000.

Thank you, Mr. Speaker.

**MR. SPEAKER:**

Returns to written questions. Item 9, replies to opening address. Item 10, replies to budget address. Mr. Ootes.

**ITEM 10: REPLIES TO BUDGET ADDRESS**

Budget Reply 4-13(7)

**MR. OOTES:**

Thank you, Mr. Speaker. The budget continues on a fiscally responsible course. We have maintained this over the last several years, ensuring that the books are balanced. It continues to fund the same programs perhaps with a few adjustments here and there, but no radical changes. The budget contains no surprises, except for the decision to use up the surplus. Budgets generally have two purposes. One is to balance the books, and two, is to give a new vision and a renewed momentum to our economic and social priorities. I was surprised that so much emphasis was placed on the Minister's Forum on Education and then the budget included little funding to address the forums recommendations. Now a similar forum

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is planned for social services. I hope the approach will be different. We are quickly exhausting the

public's patience with all our consulting and no action because of financial restrictions.

On another matter, every time I have gone to discuss matters with people delivering outreach programs like those at the YWCA, the NWT Seniors Society, and the Yellowknife Women's Centre, there is constant discussion of the need for multi-year commitments so staffing can be maintained and people can build on program successes.

On the economic and job creation front, the government just finished spending in the neighbourhood of \$0.5 million dollars on developing a new economic strategy. It was my impression that the economic strategy was to identify areas where we could find dollars to invest in the tourism industry, improve existing road systems, further develop the Roads to Resources Initiative and continue building community infrastructure and improve social needs. There is a need to stimulate private sector investment to build a sustainable base for jobs and profits. We need initiatives that will foster trade and investment to bring new money and jobs into our territory. Our small business sector continues to play an ever greater role in our economy. We need incentives to encourage the start-up and expansion of small and medium-sized northern businesses. The economic strategy should have been designed to address our budget needs. We need to figure out how to achieve our potential. I had hoped the economic strategy would do that.

For the immediate future, no sector of the economy holds more promise than the mining industry. Our gold mines have been through a lot of upheaval over the last several years. In the immediate short term, Giant Mine may continue operations, but we need a long-term outlook for this particular operation. As a government we need to be proactive in regard to the problems of Giant Mine. We should be seeking the support of the federal government for an employee/business consortium approach, or to seek other opportunities for operators of this mine, and a plan to address the arsenic cleanup. I would like to see the federal government, through its Department of Indian and Northern Affairs, focus on the economic development needs of our gold mines and our need for value-added industries in the diamond business. Canada has over the last decade sold off much of its gold reserves. Instead of protecting a major segment of our mining industry, the sell-off has helped drive the price of gold to all-time lows.

As a matter of fact, last month the federal government continued with another large sell-off of gold. Canada is a gold producing country. The federal government needs to be constructive and show confidence in the industry by buying gold. At today's low prices, gold is a bargain for government to buy and there are spinoff benefits. The purchases would help stabilize gold prices, and give Ottawa added revenues from royalties from income taxes. In the local economies it would mean employment and corporate taxes to communities. I have suggested before that the northern development part of the DIAND portfolio deserves more attention from the Minister. The north is a large storehouse of mineral, oil and gas wealth. When the rest of Canada benefits from the royalties reaped from these resources, surely we have a right to demand fair effort from the federal government in ensuring the long-term benefits of the north which also benefit all of Canada.

There is an urgent need for the settlement of land claims and then to settle the Northern Accord so that northerners can control northern resource development. Funds received under a Northern Accord can be used to improve such areas as education, health and social services, youth programs and economic development.

That is my statement, Mr. Speaker. I know it is rather short in comparison to other Members, but I thought I would pass on my comments and I appreciate all the Members being here. I know it was a very interesting statement. Thank you, Mr. Speaker.

**MR. SPEAKER:**

Thank you. Replies to the budget address. Again, for those Members that are not aware, this is the final day for the budget reply. Mr. Rabesca.

Budget Reply 5-13(7)

**MR. RABESCA:**

Thank you, Mr. Speaker. As we now start our journey in this new territory of ours we find many challenges facing us. Through my review of the Budget Address presented by the Honourable Minister of Finance, I can see many of my concerns are being addressed, however, the main problem that I see is we still need additional funding.

Although we are spending additional dollars in education which will help assist in solving some of the problems of overcrowding in classrooms, I feel this is

far below what we should be allocating. We have many areas within education that must be addressed and this budget does not go far enough.

I am rather disheartened that the Working Together Program will only be extended for one more year, even though this has proven to be a very good program with a good number of young northerners employed. I think this should be extended for future years as well. We do have some very good programs within the education, culture and employment portfolio, however, the one thing that is needed and we have heard over again is the need for more dollars to be allocated.

As I continued to review this Budget Address, it was good to see a focus to increased funding for recruitment and training local residents for careers in the health and social services area. We have heard many times how the nursing staff in any community

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are over worked and are constantly under pressure, which does result in burnout and relocation to the south. I hope for the good of our residents that these initiatives will help relieve the stress and pressures that our staff currently face. We must also look at ways that we can assist residents with the many social problems that our communities face. Spousal assault, alcohol and drug abuse are all becoming very prevalent in today's society and we must react to these problems now.

Every year across this country we lose loved ones and property as a result of fire. Over the last number of years we have witnessed many terrible tragedies, communities losing their schools, their stores and houses. We acknowledge the need for a well-trained fire department and good equipment for all communities. Through this Budget Address it looks like we may be heading in the right direction. It is very important to allow communities the ability to protect against fire. I hope future budgets will continue to stress the need for further fire prevention and support.

I have heard that the Down Payment Assistance Program has been a success and it is good to see many residents are taking advantage of this, however, I wonder how many residents in the smaller communities were able to take advantage of this. We must also look for ways to increase housing units within our communities. We need affordable housing for all residents across our territory.

Throughout the next year we have many important issues to deal with. If we can get our people trained as we are attempting to do with the continuation of some programs, we must also be in the position to have jobs available. By supporting and developing local economies within all our communities of the NWT our people will find jobs and will create business opportunities. It is important that we realize everything does not have to be diamond related. We have many areas that local people can create and develop successful businesses within all communities. It is good to see the lustre of diamonds as it is an important part of our lives for many years to come, but there is much more to develop.

Our territory is vast and we are blessed with renewable and non-renewable resources that are waiting for us to utilize and develop. We must work together, to ensure the NWT as a whole prospers not just the large centres. I feel an economic strategy for the territory is essential to a better economic future, however, I also feel this is more important at the local community level and the communities should be encouraged to develop their own strategy, for it is at the community level that most of our economic activities take place.

In closing, I am hopeful that this year's Budget Address covers a good number of solid initiatives and programs that we need to provide for our residents and businesses. However, the one main problem that this government still faces is the lack of dollars to continue to upgrade our infrastructure, rebuild our sagging economy, provide training at all levels. I continue to believe that our government will be able to negotiate a win-win situation with the federal government over the royalties issue. I would also like to congratulate the Honourable Minister of Finance for this year's first, truly, NWT budget. Thank you, Mr. Speaker.

--Applause

**MR. SPEAKER:**

Thank you. Replies to the budget address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Mr. Krutko.

**ITEM 14: TABELING OF DOCUMENTS**

Tabled Document 33-13(7): Letter From Inuvik Health and Social Services Board Regarding Northern Addiction Services Treatment Dollars

**MR. KRUTKO:**

Thank you, Mr. Speaker. I would like to table a letter from the Inuvik Regional Health Board in which they attach a motion in regard to requesting the Minister of Health to return northern referral dollars to the Inuvik Regional Health Board.

**MR. SPEAKER:**

Thank you. Tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in committee of the whole of bills and other matters. Bill 17, Appropriation Act, 1999-2000, and Committee Report 1-13(7), with Mr. Krutko in the chair.

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

**CHAIRMAN (Mr. Krutko):**

We are dealing with Bill 17, Appropriation Act, 1999-2000, and Committee Report 1-13(7). What is the wish of the committee? Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I recommend that we continue with Bill 17, Appropriation Act, 1999-2000, and the Department of Public Works and Services followed by the Department of Transportation.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. We will be dealing with the Department of Public Works and Services after a short break.

--Break

**CHAIRMAN (Mr. Krutko):**

I would like to call the committee to order. We are reviewing the Main Estimates. We are dealing with the Department of Public Works and Services. At this time I would like to ask the Minister responsible if he has any opening comments. Mr. Steen.

**HON. VINCE STEEN:**



Thank you, Mr. Chairman. Mr. Chairman, I am pleased to present the Department of Public Works and Services main estimates for the fiscal year 1999-2000. The estimates propose a department operations and maintenance budget for 1999-2000 of just over \$37 million and a capital budget of just under \$1.5 million. The department will have approximately 200 positions funded within the appropriation. In addition, the department manages the petroleum products revolving fund and provides systems and communication services, which are funded through charge back to client departments. A further 32 positions are associated with these non-appropriated activities.

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Mr. Chairman, this proposed budget is very close to the funding level anticipated in the department's division plan. Through normal staff adjustments over the next year or two, it is expected that PWS will decrease to the planned size. In the meantime, the department will be carrying a number of extra positions and will have to manage those within the current budget. Many of these extra positions will be providing support to Nunavut in 1999-2000, through Nunavut service agreements.

There are two unique challenges for the coming year, Mr. Chairman. First, we will be continuing to support our former colleagues in Nunavut through service arrangements. Contracts have been established for service in the areas of asset management, petroleum products, and systems and communications. The second challenge will be in the preparation and response to the Year 2000. In addition to ensuring that the department's own information systems and workstations continue to function, we also have to ensure that the government's mainframe computer systems, telecommunications networks and building systems are ready for the century turnover. We have our computer systems ready. Non-complaint workstation computers and servers in the department have been upgraded or replaced. Work is also proceeding on embedded computer services, such as those in vehicles and building systems. Staff have worked with many of the manufacturers of building systems to review testing and updating procedures. PWS employees have been visiting each community in order to review GNWT assets and ensure service disruptions are avoided. Staff will also be giving presentations on Year 2000 compliance and providing assistance to other departments, communities and agencies. Overall, Public Works and Services and

most GNWT buildings will be well prepared when the calendar turns to 2000.

Another departmental objective concerns the assessment and remediation of environmental liabilities at community tank farms. PWS has made substantial progress. In June, 1998, the department hired Deton'Cho Corporation, in partnership with Rescan Environmental Services and Vista Engineering, to do environmental assessments of community tank farms. In addition to inspections and sampling, a remediation plan will be designed for each location. This year plans will be developed for several communities assessed in 1998-99. These include Fort McPherson, Tsiigehtchic and Tuktoyaktuk. Assessments will be done this year in Paulatuk, Sachs Harbour, Rae Lakes, Wha Ti, Wekweti, Wrigley, Trout Lake, Nahanni Butte, and Jean Marie River. Mr. Chairman, I want to conclude my opening remarks by saying that I look forward to the year ahead of us. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Does the standing committee responsible for the Department of Public Works have any comments? Mr. Rabesca.

**MR. RABESCA:**

Thank you, Mr. Chairman. The mandate of the Department of Public Works and Services is to design, construct, acquire, operate and maintain buildings, works and equipment and implement energy efficient projects in buildings and works required for the government to deliver its programs and services, provide a system of specialist services that enhance the efficiency of government departments and make essential petroleum products available for sale to the public where these are not provided by the private sector.

The Standing Committee on Resource Management and Infrastructure reviewed the department's 1999-2002 business plan on November 24, 1998, and the department's draft 1999-2000 Main Estimates on March 21, 1999. Committee concerns during review of the department's business plan centred on the government's contract awarding process, competition with the private sector, proposed retention of the Laing Building, Year 2000 compliance and Nunavut service contracts, incorporation of full cost recovery and a cost-plus in all contracts. These issues continued to concern committee Members during their review of the department's draft Main Estimates.

The draft 1999-2000 Main Estimates showed proposed declines in most programs and activities in comparison to the 1999-2000 business plan projections with the exception of a \$5,000 increase in funding for systems and communications. Capital expenditures remain essentially flat with a projected \$7,000 or a 0.48 percent decrease from the business plan.

Committee Members noted during the review of the department's draft Main Estimates that a significant portion of the department's overall revenues is the result of computer charge back services to Nunavut. This \$2.2 million in projected revenue represents a major portion, or 59.77 percent of the department's projected revenues of \$3,681 million. Eventually, the Government of Nunavut will be able to service its own computer needs.

**Awarded contracts.** Committee Members expressed concern during the business plan review that some contracts were awarded to southern contractors over equally qualified northern contractors. As a result, the committee recommended that clear-cut explanations be given to unsuccessful bidders, and as with the federal government, GNWT officials should be made available to bidders for further discussion. A description of this process and related items were provided to the committee prior to the review of the Main Estimates.

However, in the business plan review exercise, Members were also concerned about the number of contracts that were awarded under the different awarding processes. The committee looked forward to receiving a summary report that details the number and amount of contracts that were awarded as the result of a tender, request for proposal, sole source, or negotiated award process in the past year. This item was addressed prior to review of Main Estimates. In an effort to bring a greater degree of clarity to the contracting issue committee Members requested a briefing on contracting methodology used by this department and other departments.

**Competition with the private sector.** The committee noted that the government is already competing or is proposing to compete with the private sector in areas of petroleum products, ongoing and real estate development, ongoing and anticipated to escalate. Members pointed out the Laing Building, originally scheduled for sale or demolition, will now be renovated and retained by the government for its own offices. This is likely to contribute to the oversupply of office space in Yellowknife. The committee looks

forward to receiving a confidential briefing by the Minister that will answer the Members' concerns regarding the Laing Building and the Yellowknife Office Space Plan.

**Conflict of interest guidelines.** The committee noted during its

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review of the department's business plan that many employees are not covered under the current conflict of interest guideline. The current guideline only applies to high-level employees. The committee requested further information about conflict of interest guidelines for all employees. This concern arose from the Inuvik arena project where a non-management PWS employee resigned from the arena project management committee, comprised of municipal, MACA and PWS personnel, to take a managerial position with the consulting firm for the project. The department has addressed the Inuvik arena project issue and suggested that general conflict of interest concerns may be more appropriately redirected to the Financial Management Board Secretariat.

**Year 2000 compliance.** The committee expressed its concern that year 2000 compliance may entail unforeseen consequences despite the ongoing efforts by the government to minimize its effects. Further, committee Members noted that technical personnel should be available during the changeover period to rectify any unanticipated events. The department replied that there would be staff on standby during the changeover period.

**Nunavut service contracts.** Committee Members were concerned whether full cost recovery plus the standard service fee of 6.5 percent has been and will continue to be incorporated into each Nunavut contract. Further, the committee was concerned about the lengths of the contracts and potential layoffs due to the completion of Nunavut contracts. The department has advised that cost recovery plus a standard service fee of 6.5 percent is incorporated into each Nunavut contract, and the contracts range from six months to two years. As well, there will be no layoffs due to the completion of Nunavut contracts and any staff reductions will be the result of natural attrition. That concludes the committee's report. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rabesca. At this time I would like to ask the Minister responsible for Public Works and Services if he would like to bring in witnesses?

**HON. VINCE STEEN:**

Thank you, Mr. Chairman, I would.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Steen. I would like to ask the Sergeant-at-Arms to escort the witnesses in. Does the committee agree?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Mr. Minister, could you introduce your witnesses please.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, on my right is the Deputy Minister, Mr. Rattray. On my left is Brian Austin, director of petroleum products.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Are there any general comments regarding Public Works and Services? Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. The Department of Public Works and Services used to do all the maintenance in the communities, all of the government buildings, they had a program in place. They had people working for the department in pretty well every community through community empowerment. Some communities have taken over that function. Has there been any review on whether or not the same level of services are available to those buildings? For example, you had a maintenance schedule, you had a formula set up on, let us just use a school, for example. There was a formula set up if you had hardwood flooring in the school, that, that hardwood flooring would be refinished every so many years, let us say five years or whatever it was, and then it would still be a safe flooring for the kids of the school to use. My understanding is, some of the things I am hearing from my communities is that just prior to the transfer, those maintenance budgets were cut a year ahead of

time so that they cannot maintain the buildings properly. Has the Minister looked into that? Can the Minister shed any light on that issue?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Perhaps Deputy Minister Rattray could answer that question.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:**

Thank you, Mr. Chairman. Virtually every community is different. In some of the communities, we have very little involvement now. The contracts are working quite well. Other communities, we continue to have a significant amount of involvement as much in providing support and coaching as well as in planning some of the work. It varies from community to community. We have not done an overall review of the successes or the failures associated with community empowerment. I think we consider ourselves still to be in the very early years of it and all of the communities were anticipating that we were going to maintain some level of involvement for a period of time yet.

In terms of the budgets, as you know, we have had to deal with budget cuts virtually every year since the early 90's, since 1991, so I am not surprised that communities are concerned about the level of funding they have in order to carry out the work. The department is also concerned about the level of funding it has to carry out the work in the remaining communities. This has been an issue for us, but we have, in all cases, turned over the amount of funding that we have available to carry out the work in the community to the community when we have asked them to do work. We have not withheld funding.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. General comments. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. Through community empowerment, when the communities take over the

work that needs to be done at the community level they normally hire people in the community to do the actual work or they take it on as a municipality or whatever, band council or whoever, and normally before those maintenance people were reporting to a regional person that had qualifications to actually supervise and actually ensure that, that work was being done as well. Now they are reporting to the community councils that are people that run for council. They may or may not have that qualification to oversee that work, so are there any checks and balances or can they draw on DPW to supply that service of checks and balances for their communities?

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**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I believe that the expertise involved would be at the regional level, but I will ask my deputy to confirm that.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, yes, as I mentioned earlier, we do still have a level of technical expertise that we are prepared to share with the communities. In some cases, we draw that from those individuals working in other communities, but we do have some capacity to provide some technical support and guidance in planning and carrying out that work. We always anticipated that we would continue to provide that function, at least for a period of time, while communities became more skilled in the delivery of their own programs. In terms of the long term, again every community is different, so it is hard to generalize on empowerment issues. Each community has its own stage of development and its own strengths and weaknesses. We fill in and try and support to the limit of our resources, as required.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. I know ultimately that Resources, Wildlife and Economic Development are ultimately responsible for the Business Incentive Policy. Does this department still ensure that the Business Incentive Policy is being followed and does it fully support that policy?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. As the Member said, the ultimate responsibility is with RWED to monitor the Business Incentive Policy, but I believe the department does have checks and balances to ensure that contractors are asked to comply with the Business Incentive Policy. At the end of the contracts, there are some requirements, that they report any contract proceeds. I am sure the Member is aware of this, but as the contract proceeds, there are requirements for the contractors to report their local employment and local benefits. I will ask the deputy if he wants to add anything to that.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray, do you have anything to add?

**MR. RATTRAY:**

I do not have much to add. It is the policy of the government and the Business Incentive Policy is a policy of the government. Our department is one of the principle contracting departments and yes, we do our best to comply with the policy. In doing that, we have ongoing training and support for our own people in ensuring that they understand how the policy is applied and to ensure that they, in fact, are applying it.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. General comments. Mr. Morin.

**MR. MORIN:**

Thank you. There are many different types of communities in the western Arctic. There are those that are on the road and those that are off the road. There are also those that have winter roads and some of the communities are fairly isolated with barge service once a year. For example, the community I

represent, Lutselk'e, gets a barge once a year through NTCL. The level of the maintenance person in there, the mechanic does an excellent job on the equipment to keep it up and running, but it is a very isolated community. Is their equipment replaced at a faster rate than, for example, an on-road or a community that does have winter road services, as well as barge service because when something breaks it is very expensive to fix? Is there a formula that you use or how do you say, okay that equipment in Lutselk'e should be replaced in many less hours than, for example, in Fort Resolution or a community on the road?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Perhaps if we could redirect the question to Mr. Rattray.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, we essentially apply the same standards to all the communities with respect to equipment. While there are guidelines to tell us approximately when it would require replacement, ultimately the decision is based on the condition of that particular piece and an evaluation of that particular piece of equipment. The guidelines we use tell us approximately how many hours of use on a piece of equipment gives us a guideline in terms of the amount we are prepared to spend on repairs for a piece of equipment of a certain age, but it is a general policy across all of the communities. Certainly on a small community in an isolated location that does not have backup equipment, we would be judging that particular case somewhat differently than a community that had easy access and where it was relatively easy to get in and get a mechanic and get parts in to do repairs.

In general, the standard or the guideline that we follow is, it really is a guideline, it is to help us forecast when equipment is likely to require repair. I know from my previous experience with Transportation that, in fact, we have done trades on equipment from community to community. If it looks like a piece of equipment still had useful life in it, but it was likely to require a higher level of repair, then we would move it

some place where we had better support. It does not happen often because of the difficulties of moving large pieces of equipment around the territories, but certainly we have made some arrangements in the past where it seemed to make sense in that particular instance.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. General comments. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. The Minister made reference in his opening remarks to the work that is being undertaken under service agreements with Nunavut. I wonder if the Minister could give us clarification of the extra positions that we have on staff in relationship to how those will be handled over the next year and over the next two years? My concern, Mr. Chairman, lies in the area of layoffs or downsizing. I wonder if the Minister could address that, or his officials?

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**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, Mr. Rattray is probably more familiar with that particular question than I am, so I will ask Mr. Rattray to respond.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, we are carrying a few more positions than we originally forecasted in our division plan. I would say the number is probably ten to 12 right now. We started out as a headquarters department with probably 20 some odd positions more than what we intended to go on with post-division. Some of these now, the numbers have been reduced largely because of moving individuals into new positions or some people have left the government and moved on into other positions themselves. We are down to about probably ten or 12 positions in the department as a whole. These positions are not a problem to us at the present time because, for the most part, we are

still providing a significant number of services to Nunavut and are recovering the cost for carrying those positions from those service agreements. We are anticipating that, certainly for the next year, carrying the additional positions is not a problem for us.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. Mr. Ootes.

**MR. OOTES:**

Thank you. Is it anticipated then, that in a year or two, those positions may have to be eliminated?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, again our strategy in terms of dealing with these positions is, wherever possible, to allow individuals a good opportunity to transfer into vacant positions that will be required on an ongoing basis. We still have some expectation that some additional positions we will be able to accommodate within the future organization. In addition, we do anticipate that over the next couple of years some additional individuals will leave the department for one reason or another, either to take up positions in other departments or to move elsewhere. That is kind of a natural development in the organization. My guess is, at the end of the day if we have some positions to deal with there may be one or two, but it is not going to be a significant issue for us.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. Could we get some idea of the revenue that may be generated? I understand that computer services will be provided to Nunavut and there may be a charge back on that. Could the Minister indicate to us the kind of revenues we are anticipating from that?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. I will direct that to Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, when we get into the detail of the budget a little bit later, there is a line item dealing with charge backs from Nunavut. Our best guess is that is a little underestimated for the coming year. In our discussions with the Nunavut Department of Public Works, Telecommunications and Technical Services, I think they underestimated the difficulties they were going to have in terms of trying to provide a full range of services, so my guess is that the figures we are quoted in the budget detail will be somewhat low and that we will actually recover some additional revenues in addition to that.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. Could you identify where in the budget that item will come up?

**MR. RATTRAY:**

Mr. Chairman, that would be on page 31 of the department's budget, 5-31. Excuse me that is an error. I am corrected, it is page 5-30.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Rattray. Mr. Ootes, maybe you could ask the question when we come to that item.

**MR. OOTES:**

Yes, I am pleased to know that is where to address my question, so I appreciate that. On another matter I have asked questions about in the House. I wonder if I could get an update from the Minister as to when he may have available a report on the Yellowknife Office Space Rationalization Plan?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, the department has what you could call an office plan for Yellowknife because it is continuously being amended as client departments amend their needs. At the present time the department is working on a plan and we will be moving forward with this plan, but I note that in the past the previous Minister committed to

holding briefings with the committee as information briefings and the floor plan, the office floor plan. I am prepared to reaffirm the commitment to have this briefing with the committee to update them on the floor plan. However, perhaps Mr. Rattray can be a little more specific as to exactly where the floor plan sits right now.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:**

Mr. Chairman, I am afraid the plan is turning out to be a little bit more of an exercise than we had anticipated and that is largely because of the situation with respect to the departments and staff in Yellowknife being quite dynamic. We are having increasing difficulty in trying to forecast what the different departments' requirements are going to be over the next number of years. Part of that is due to departments simply coming to terms with the post-division structures and trying to figure out what the implications of division have been on their headquarters organizations. Part of it relates to the need to continue to provide services, for Nunavut, the continued need to have staff to provide some of those services and the number of departments that are continuing to negotiate arrangements with the federal government for joint delivery of services, for example, or other program changes or adjustments. What we found is that it has been very difficult to pick a point in time when we can say this is what the picture looks like and this is how we are going to do it. We kind of refocused a little bit and downsized our expectations of a planning document here and we are really starting to deal with requests on a case by case basis. We have some reasonably firm information on a few departments that we

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need to deal with in the short term and we will be proceeding with those, but in terms of a longer term plan, we need some additional stability in the organizational structure of the government before we can actually really develop any kind of plans comparable to the plans that have been done in the past. Again the Minister has indicated that we would be prepared to provide a more detailed briefing. It is hard to provide that in a short answer and we would still be pleased to do that, but as I say, it has become an increasingly difficult target at the present time to try and achieve.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. I have Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. In regard to the communities taking over the responsibility of the Department of Public Works, with regards to Aklavik there is a situation where the community was considering taking over the responsibility of the department as far as maintaining infrastructure in the communities, but one of the problems they ran into was that they did not have the resources to maintain the people that presently were there in the Department of Public Works and also have trained, qualified individuals to take over that responsibility such as the hamlet foreman. I would like to ask the Minister, has the department, along with the municipalities, considered the process that they can work together to ensure that they do have any transfers that take place from the department to a community, that they do have qualified individuals trained and knowledgeable of maintaining the infrastructure in a lot of our small communities? Has anything been done to consider finding a workable solution between the department and the municipalities with regards to such transfers?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, I believe that part of the conditions of the taking over the responsibilities of Public Works and Services to the community is the ability for communities to supply qualified people and I believe it is referenced in the contract, but again I will ask my deputy to confirm that as we are dealing with one specific community here.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

I cannot speak to the specifics of Aklavik, but in general, there has always been a concern with respect to transfers to individual communities about their ability to provide the kind of full range of services. That is largely because we, as a department, were able to spread the costs of

positions over a large number of communities and were work planning as a component of it, we would have an individual who plans work for ten or 12 different communities. Providing that same level of expertise for every individual community is simply, there are not enough resources to be able to do that, so the solutions really have to be community specific solutions. In some cases, there are existing hamlet foremen that are already providing a significant number of services and the addition of the assets previously maintained by Public Works was not a significant change in what they were already doing. Those have worked out, obviously, well. In situations where there was not previously much in the way of previous involvement in significant maintenance work, there was not an established planning capacity within the community, then that has to be looked at the time the transfer agreements are negotiated and we have to be a little bit innovative in terms of how we deal with it.

In some cases, the communities may simply be too small to be able to effectively carry out the range of functions that are required to be carried out, but each community is a little bit different and, again, I do not know the specifics of the negotiations that took place in Aklavik and what the issues there were, but certainly trying to provide sufficient resources for all communities to be doing the types of work that we have been doing has been a real challenge.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. One of the issues I have brought up in the House in the last week is the whole question about contracting, delivering service to this government especially on an as and when basis, in that the Department of Public Works still maintains a lot of infrastructure in our communities, except in most cases one of the larger contract providers for such specific contracts on the as and when needed basis, so I would like to ask the Minister exactly why is it that a lot of service providers in the smaller communities seem to be overlooked when a lot of these service contracts are being filled and most of them are being filled by the regional operators at larger regional centres, yet we have community entrepreneurs who have established a business or are trying to get themselves up and running. There seems to be no recognition that there are community businesses in place. The Department of Public

Works issues a lot of these contracts and services. What is your department doing to monitor and ensure that local contractors do have an opportunity to bid on government contracts within the Department of Public Works?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you Mr. Krutko. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chairperson. The department does have the option of using different types of procedures in order to award the contracts to perhaps address the issue of allowing for small contractors to obtain some of the work and one of those options is the sole source contract which is applicable to \$1,000 or less, if the service work required \$1,000 or less, it could be sole sourced. There is also the option of as and when contracts and those could be either negotiated or public tendered and anyone qualified, in particular if they are registered with BIP, they could be qualified to put in a tender and also be considered for a negotiated contract process. So there are options for small contractors to get involved, but I may have missed something here, so Mr. Rattray here maybe could probably better explain the process.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

As the Minister says, there are a number of different approaches that we can take. Certainly, on an annual basis in virtually all of the regions we will tender for as and when trade services, for example, to carry out maintenance activities. Now, they are usually tendered out based on the regional centre

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and, for example, in the Inuvik region, there will be a number of contractors that will bid on, whether it is plumbing or electrical services, they will bid for the work.

If we know there is a contractor in a small community that is already located in the community and is in a better position to deal both quickly and less expensively with a particular issue, then we will typically use that individual and, as the Minister says, that is typically considered if it is a small dollar value of work or on a case by case basis we can justify that



as a sole source contract because they are there and ready to do the work and, if they are the only contractor in that community, then we can deal with them as a sole source and that is typically what we do. If for some reason they are unable to respond, then we have the fall-back of an established contract that may be of more regional interest or regional scope. On other jobs, if a particular item of work is sufficiently large we may decide to separate it out and do a tender on it. So there are a number of different approaches that can be taken if we know there are qualified contractors available.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Could the Minister or the deputy minister make an attempt to meet with his regional directors who are responsible for public works in the regions because I think one of the concerns I hear from a lot of the local businesses, is because they do not have access to the regional directors which puts them at a disadvantage, say in a case of Aklavik, if you are not able to walk into the regional director's office and have access to knowledge that certain contracts are coming out at a certain time, which is basically only privy to the regional centres, which is not posted in all communities, that the regional directors who are responsible in each region make an attempt to travel to all of the communities and meet with each of these business people, such as KLR Plumbing in Aklavik, so they know that these individuals are in the community, know who these individuals are, know the name of Richard Storr and who the individual is and also know what he can provide.

For some reason in my region it seems like the BIP process got chucked out the window and that only the regional centres are taking advantage of all the government contracts. The people in the communities are struggling to get contracts out of this government. There is something wrong with the system and I believe the system is people having access to certain offices in the region, while community businesses do not have this access on a day-to-day basis. I think in order to expand the knowledge or the accessibility of these individuals to the communities and start promoting themselves in the community, who they are, and exactly what department they represent, and know who the business community members are in our small

communities, this may be one way of avoiding this problem. It always seems like it is left up to, you keep referring to BIP, sole source and all these other contracts but it does not take a genius to figure out where most of these contracts are being issued. Yet there are not too many of these being issued in my riding. When you see a company having to fly from Inuvik to go to Aklavik to fix a furnace, and then fly back to Inuvik where you have an individual in a community who can do just as good a job and do it in a couple of hours instead of having to jump on a plane and charter to Aklavik and charter back after they maintain a furnace does not make economic sense. I believe this government has to spend more time and effort promoting and assisting local entrepreneurs in our communities to stimulate the local economy of those smaller communities and I strongly believe that is not happening so, I would like to ask the Minister if there is a possibility of this happening within his department and to promote those regional directors so they are made aware who these entrepreneurs are.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, first of all I believe the Member is referring to regional superintendents rather than regional directors. I commit to the department perhaps meeting with the regional director and sit down and see if we can come up with exactly how we can better advertise our needs. There is no doubt that this would be beneficial to the department if we can get cheaper services directly from the communities, however, I am not sure here if the problem is partly that we would be competing with our own as and when contractor. Nevertheless, there is obviously a need here for the department to advertise its needs and also somehow to get a list of those qualified businesses that are existing in the small communities and that are available for work. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Public Works and Services. General comments. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. I have a question in regard to petroleum products. There has been a lot of talk about negotiated contracts, sole source contracts and whatnot in this government, yet petroleum products have contracts in a lot of our communities for fuel delivery and also service contracts to deliver fuel in those communities where they do have fuel products. Again, Madam Chairperson, a lot of these contracts have been placed for years on end and basically just renewed year after year after year without going to the public tendering process, and I would like to know exactly what the department is doing to ensure that there may be opportunities for groups? I will use McPherson as an example, there has been a gas station established, Standard Petroleum, which is owned by the bands of McPherson and Inuvik which they established to deliver fuel and they also have a gas station and yet, there is also the Co-op which delivers fuel on behalf of this government and also has a gas station competing against an entrepreneur in the community in which they have an advantage because they also have the fuel contract for this government which has not been put out for public tender for a number of years. Arctic Co-op Limited is based out of Winnipeg. Yet, Madame Chairperson, this contract has been renewed year after year after year without going out to public tender. Why is that?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**MR. STEEN:**

Thank you, Madam Chairperson. I know in the past a lot of these contracts were renewed on a six month or a year basis because there was consideration to the fact of privatization of petroleum products but I think that move has

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been put on hold. Perhaps Mr. Austin can give us some clarification as to what the plan is now as far as renewing those contracts.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Austin.

**MR. AUSTIN:**

Yes, Madam Chairperson. In regard to Fort McPherson we have a contract with the local co-op, not with Arctic Co-op Limited. That particular contract

is for ten years. It runs until August of 2001. It was awarded, obviously, years ago so it has a bit of tenure left on it. In the community of Fort McPherson we provide only diesel services, no gasoline services are provided through the GNWT. There is a private distributor in the community. We do not compete with anyone in terms of gasoline sales. Further to that, I believe there is some consideration being given by the different groups within Fort McPherson to looking at an opportunity to amalgamate and to bring forward a proposal to perhaps provide the service independently of government and we have started some discussions with them on that matter.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Austin. Mr. Krutko. Services. General comments. Are there any further general comments? If not, is the committee agreed we will proceed with the detail? We are on page 5-9, Public Works and Services. Directorate, operations and maintenance, \$5.834 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Technical support, operations and maintenance, \$5.127 million. We are on page 5-11. Moving on to page 5-13, asset management, operations and maintenance, \$25.322 million. Asset management, grants and contributions. Total grants, \$260,000. Asset management, details of capital. Land and buildings, Fort Smith region. Total Fort Smith region, \$260,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Total Lands and Buildings, \$260,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Heavy equipment vehicles, Fort Smith region. Total Fort Smith region \$167,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Inuvik region. Total Inuvik region \$66,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Total heavy equipment and vehicles \$233,000. Total capital, \$493,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. We are now, for the benefit of Members joining us, on page 5-17, Public Works and Services. Just while Members are finding their page, I would like to recognize Mr. David LeGroen in the visitor's gallery. Thank you for coming and watching our proceedings today. Welcome to the Assembly.

--Applause

**CHAIRPERSON (Mrs. Groenewegen):**

Systems and communications, operations and maintenance, \$559,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Petroleum products, details of capital. Land and buildings, Fort Smith region, total Fort Smith region, \$120,000. Inuvik region, total Inuvik region, \$512,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total land and buildings, \$632,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Petroleum products, heavy equipment vehicles. Fort Smith region, total Fort Smith region, \$75,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Inuvik Region, total Inuvik region, \$255,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total heavy equipment vehicles, \$330,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total capital, \$962,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Agreed. Thank you. We are on page 5-22. Public Works and Services. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. With regard to active positions, can the Minister tell me how many affirmative action candidates does he have in regard to the total 200 active positions?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I am sorry, Madam Chairperson, what page are we on?

**CHAIRPERSON (Mrs. Groenewegen):**

We are on page 5-22, Active positions, it is an information item.

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**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I will ask Mr. Rattray to respond.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

Thank you, Madam Chairperson. In terms of the number of affirmative action candidates that we have in the department, we have approximately 59 who would be considered P1 so that is approximately 30 percent. We have four candidates that are women in non-traditional positions, that is about 2 percent, and then indigenous non-aboriginal, we have 29, that is about 15 percent for a total overall of about 46 percent who qualify as affirmative action category.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Can the Minister tell me how many affirmative action candidates there are with regards to the director level of the department, the senior management, so that we can see if there has been an increase in the senior managerial level with regard to trying to entice affirmative action candidates to that particular area?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Perhaps I will let Mr. Rattray finish answering those questions.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

Thank you, Madam Chairperson. Again, the same categories, we have about ten senior management

positions either myself as deputy, director level and a couple of area manager positions. Right now we have two of those who are in the P1 category, indigenous aboriginal, we have one that is a woman in a non-traditional or management role, and we have one indigenous non-aboriginal, so that is four out of the ten staff.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Is there a possibility we can get copies of the breakdown so that we can have that information available to us?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. We will make copies for the Members.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. That would be appreciated. So continuing on with the detail, Mr. Henry.

**MR. HENRY:**

Thank you, Madam Chairperson. Madam Chairperson, I was busy dealing with an issue with a constituent and if I could have some direction here, I may have a conflict and I want to know if the department has dealt with leases?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Henry. Just a moment. I believe that comes under asset management and we have already passed by that item in the budget. If you wanted to have anything to say about the conflict, we would have to get the committee's concurrence to return to that item.

**MR. HENRY:**

Thank you, Madam Chairperson. I would appreciate it if I could have that concurrence.

**CHAIRPERSON (Mrs. Groenewegen):**

Does the committee agree that we return to asset management on page 5-15? Is the committee agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Agreed. Alright, I will call it again. Asset management, details of capital. It is not under capital. It is on page 5-13. Operations and maintenance, \$25.322 million. Mr. Henry.

**MR. HENRY:**

Thank you, Madam Chairperson. Madam Chairperson, I was, as I mentioned earlier, dealing with a constituent issue and I have come back to the House and I would like to declare a potential conflict of interest with a lease with a company I have an interest in, so I would withdraw from any discussion on that item and remove myself from the House. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Henry. Your comments are noted. Go back to page 5-22, active positions, the information item. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Information item, systems and communications. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Information item, systems and communications, active positions. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Can the Minister tell me if we have any P1 candidates who are above the director level in these positions, in a senior management role?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I will ask Mr. Rattray to respond.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

Thank you, Madam Chairperson. The director level position for systems and communications was already noted as part of the department's base organization. These positions here are in addition to the base organizations and are

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funded through charge backs from other departments. There is no director level position included in this group of positions. They are all technical positions, almost entirely technical positions.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Are there any plans to train P1 candidates to work their way into a senior management position within this portfolio?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Mr. Rattray could respond, please.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Rattray.

**MR. RATTRAY:**

Thank you, Madam Chairperson. We are always looking for opportunities to promote individuals from within the organization, particularly affirmative action candidates. At present in this particular section I am

not aware of a candidate that we are currently attempting to train into a more senior level, but that is something that we are always on the lookout for.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Systems and communications, active positions. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Information item, public stores revolving fund. Any questions? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Information item, granular program revolving fund. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Is there such a fund which is still being implemented in the Nunavut area?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. That is not within the scope of the Minister's responsibility. Mr. Steen, did you want to answer that?

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Perhaps Mr. Rattray would like to respond.

**MR. RATTRAY:**

Thank you, Madam Chairperson. My understanding is yes, the granular fund is still in revolving fund and the funding mechanism is still in place in Nunavut. It is an issue which we believe they are going to have to deal with in the short term, however, it was not possible to deal with it prior to division. That is something that is going to be on their order books over the next year or two to address.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Especially in the riding I represent, gravel is a pretty expensive commodity which a lot of communities and municipalities and whatnot have a pretty hard time just to try to maintain infrastructure. You hear about the problems we have in the Inuvik region with pilings and whatever, but also the other problem is the gravel resources, especially in the Inuvik region, where there are limited stockpiles and resources and the cost of gravel is pretty high. A lot of the municipalities cannot maintain their infrastructure, roads, airstrips, and whatnot, without this commodity, and I think it is important for the west to consider that we do reinstate such a program, especially with the problems that I have seen in my riding in which any infrastructure, construction or whatever, depends on that commodity which is gravel. I see that we have to find some way of reinstating this program for those areas where there is a problem that we see with regard to erosion or problems in the Inuvik region with pilings and whatnot. The only option you have is gravel because of the permafrost problem that we have in the northern part of the Northwest Territories. It is something that we have to take into account and I strongly suggest to the Minister that they consider reinstating this program.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, as a Member of the Beaufort Delta, I am well aware of the problem of gravel and the cost associated with gravel, and also I am aware of the plan that in the past Public Works and Services did assist the communities in bringing down the price of gravel by stockpiling for community use. This was an effort to address all the different needs within the community. This did assist in the communities in bringing the cost down. However, the department in the past few years has worked their way from stockpiling gravel. What we need to do now is reexamine the requirement for gravel within the small communities and perhaps reexamine whether the department may wish to go back into this stockpiling of gravel. It is going to have to be in consultation with the communities. We will not do it without consulting with the committees as to whether or not this is the way to go. It is expensive and it is a lot of revenue

tied up. I can commit that we will reconsider it and get back to the committee.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Information item, granular program revolving fund. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Information item, petroleum products revolving fund. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Information item, petroleum product revolving fund, active positions. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Details of work performed on behalf of others. Mr. Ootes.

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**MR. OOTES:**

Thank you, Madam Chairperson. Madam Chairperson, I had a question earlier in regard to service and charge back of services with the Government of Nunavut, specifically in relationship to computer services. Could the Minister tell me if that is addressed in this work performed on behalf of others?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Ootes. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, I will ask Mr. Rattray to respond.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Mr. Rattray.

**MR. RATTRAY:**

Madam Chairperson, there are two ways that the systems and communications component is dealt with in charge backs to Nunavut. We have one component that is associated with our centrally delivered services and there are some direct relationships and there is a service agreement in there whereby we charge back to Nunavut for some of those central services. In addition to that, each of the program departments, typically they own a system or have two or three systems of their own which are integral to delivering a program or a service to Nunavut. What they have done is they have included that as a component of their service agreement. For example, it health and social services has to maintain a database, and Nunavut requires access to that database, then through the individual health and social services arrangements they would recover some of their cost for that system. There are a couple of different ways that it is managed right now.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Rattray. Mr. Ootes.

**MR. OOTES:**

That answers my question, Madam Chairperson. I noted what I had understood to be somewhat larger revenue recovery, but that would explain the reason for the difference. Therefore, the explanation is that it is likely in the individual departments, revenue should be identified for computer services. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Details of work performed of behalf of others. Total department, \$2.527 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Back to page 5-7, Public Works and Services, program summary, operations and maintenance, \$36.842 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Capital, \$1.455 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total expenditures \$38.297 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Does the committee agree that, that concludes the Department of Public Works and Services. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you Mr. Minister, Mr. Rattray and Mr. Austin. The committee has agreed that we will look at the Department of Transportation next. Is that still the wish of the committee?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Does the Department of Transportation have opening comments by the Minister? Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, it is my pleasure this afternoon to present for the committee's review the Department of Transportation's main estimates for the fiscal year 1999-2000. At the beginning of this session, the Premier announced the government's Agenda for the New North with its five essential elements: governance, fiscal capacity, building our economic potential, sharing control of northern resources and improving social conditions. The agenda sets out where we must concentrate our efforts to guide our new territory towards a secure and promising future. The Department of Transportation's main contribution to accomplishing this agenda will be in building our economic potential.

Now that the division of the Northwest Territories is behind us, it is time to give careful thought to the requirements of our new territory and to make sure that our transportation system: our airports, highways and ferries, meet those requirements. I am happy to tell the committee that the timing seems to be working out very well. Two weeks ago, I went to Ottawa to meet with the federal Ministers of Finance and Transport, along with my provincial and territorial counterparts. The purpose of the meeting was to discuss the economic, political and financial practicalities of a federally-sponsored and cost-shared National Highways Program.

For many years, the provincial and territorial governments have pleaded the case for a substantial federal commitment to the restoration and development of our national highway infrastructure. At long last, Ottawa appears to be taking a serious and favourable interest in these proposals. At this stage, nothing is firm. But, over the next several months, the federal, provincial and territorial governments will try to work out the details of a financially sound National Highways Program that enjoys broad support as a national priority.

The timing could not be better. At the same time that we in the new Northwest Territories are having a fresh look at our transportation priorities, the federal government is giving serious attention to supporting a new National Highways Program. If new federal money should become available in the next while, it will come at exactly the time when we have given careful consideration to how we should best apply it.

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In the air transportation portfolio, access to cost-shared national programs has been an important source of capital for making improvements to our transportation system. The Department of Transportation has recently received confirmation from Transport Canada that it is eligible for capital projects under the federal Airports Capital Assistance Program.

The department has worked closely with NAV Canada as it has developed its plans to rationalize the air navigation system in northern Canada. For many years now, the Community Aerodrome Radio Service has been a successful, made-in-the-north program for the delivery of observer/communicator services at our northern and remote community airports. By making full use of the CARS program, Nav Canada's rationalization plan will establish 22 new local jobs at



our airports. The flight service stations at the Fort Smith, Hay River and Fort Simpson will be converted to enhanced CARS operations. Two new CARS stations will be added to the system this year at the Rae Lakes and Lutselk'e airports. Madam Chairperson, the 13th Assembly has had the difficult and unpleasant task of paring back important public programs to put our national and territorial finances in order. The Department of Transportation's capital program is roughly half what it was last fiscal year.

Madam Chairperson, for the budget the committee is reviewing today, the government's financial position remains tight. The department's proposed budget of \$66 million consists of an operations and maintenance component of approximately \$43 million and a capital program of some \$23 million.

In adapting to our financial realities, the Department of Transportation made a policy decision to maintain the ongoing levels of transportation services the public expects of it by scaling back its capital program for improvements to the transportation system. This budget reflects that policy. Many worthwhile projects that might have improved the efficiency, comfort and convenience of our transportation system have been deferred until better financial times.

Still, Madam Chairperson, as the term of the 13th Assembly comes to an end, I have reason to be optimistic. The public can count on the safe and reliable operation of its airports, highways, ferries and winter roads. As we go through the department's budget, I would ask the committee to keep these larger perspectives in mind. Our goal is a safe and efficient transportation system. I think the Members will agree that with this budget, the Department of Transportation sets off with a good start in the right direction for our new Territory. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Does the committee that reviewed the Department of Transportation have any comments? Mr. Ootes.

**MR. OOTES:**

Thank you. I would like to present the Standing Committee on Resource Management and Infrastructure report on the review of the 1999-2002 business plans and the 1999-2000 Main Estimates for the Department of Transportation. The mandate of the department is to provide safe, accessible and

reliable movement of people and goods to serve the social, economic and political needs and aspirations of the people of the Northwest Territories.

The Standing Committee on Resource Management and Infrastructure reviewed the 1999-2002 business plans for the Department of Transportation on November 25, 1998. The committee notes the department's emphasis on making a smooth transition to the new Western Territory. Aside from division activities, the department continues to emphasize the limited financial resources for capital programs to improve the transportation system. The committee notes an overall decrease of \$399,000 in the draft 1999-2000 Main Estimates presented on March 21, 1999, from the figures presented in the 1999-2002 department business plans.

During the committee's review of the department's business plan, the department discussed the \$2 million Highway Strategy, which was implemented during the 1998-99 fiscal year in conjunction with the government's broader strategy for economic development. The Highway Strategy is intended to promote a more stable financial future for the department. The \$2 million Highway Strategy studies four projects; the deciding factor for further progress will be which roads are important to foster NWT economic development. Committee Members believe that the Slave Geologic Province transportation corridor would be more economically viable from the standpoint of the highway running from a southern point, Rae-Yellowknife to a northern point, Bathurst Inlet, rather than vice versa. The department commented that western Canada would agree with the committee's suggested route as being economically viable and will lobby on behalf of this effort.

In the view of the majority of the committee Members, it is important that the department lobby at a territorial and national level for support on the completion of Highway 3, as this could offset budget increases to the social envelope and decrease the number of accidents that occur on this highway. It should be noted that a Member of the committee does not completely agree. The Committee recommends that the department give priority to the acceleration of Highway 3.

Highways. A highway system connecting or linking all communities should be made a Western Territory priority. The committee notes this department has seen a significant decrease in its overall budget during the life of this government. Committee

Members also expressed their concern with respect to industry providing their own transportation infrastructure. The committee believes that the government should encourage and support industry in building its own infrastructure rather than allowing all costs to be borne by the general public. For example, the government should encourage mining companies to build their own all-weather roads and contribute to the improvement of the main highway system rather than the government bearing all of the costs. A committee Member suggests that the department consider the feasibility of implementing toll charges.

Highway 4. Committee Members note the allocation of \$550,000 for Highway 4 for 1999-2000 is substantial and would like to see this amount decreased and put into the main highway system. A committee Member expressed concern that this highway is more of a community access road. The Member would like to see the government encourage private sector investment in this highway as it provides access to the mineral rich areas.

Affirmative action. During the business plan review, the department's 1998-99 mid-year results report stated that the target is to maintain northern employment for highway construction and maintenance contracts at 90 percent or greater. The committee was not clear on the percentage of these northern employees that fall under the affirmative action policy. While reviewing the draft Main Estimates, the committee expressed concern in relation to the number of aboriginal people employed by contractors. There is no tracking system to monitor the number of aboriginal employees in contracted jobs and the committee suggests the department explore using the NWT health care card as one way to monitor the number. The committee recognizes the department's efforts by developing the Career Development Program as one way to increase the percentage of northern employment for highway construction and maintenance contracts. However, Members remain concerned that contractors may employ a number of workers from the south and have requested additional personnel information on these employees.

Emergency services. Committee Members note there are no emergency services provided to the Inuvik airport. Members would like the specifics on the measures that would be taken if an accident were to take place.

Contracts. Committee Members expressed concern about the process of awarding contracts and the

steps taken to ensure transparency is in place. A Member suggested a review of the process of awarding contracts.

Safety programs. A committee Member was concerned about the number of accidental drownings as a result of boating accidents over the past few years in the Beaufort Delta and would like to see transportation safety programs offered in regions other than the North Slave region.

That, Mr. Chairman, completes the report of the Standing Committee on Resource Management and Infrastructure on the Department of Transportation. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. Do you have a committee motion?

Committee Motion 16-13(7): Giving Priority to Accelerating Highway 3 Reconstruction

**MR. OOTES:**

I have a motion to make in regard to our report. I move that this committee recommends that the department give priority to the acceleration of Highway 3. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. The motion is in order. To the motion. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. There is a north outside the boundaries of Yellowknife. There is a north where people do not have highway systems. They do not have transportation systems. Some communities are serviced once a year by barge. Also, there are other projects in the Northwest Territories, like the road up the valley, a road to link Tuktoyaktuk to Inuvik and major construction work to be done on the Dempster Highway, as well as other roads where the maintenance level has fallen. Just so the public knows, not all Members are on this Resource Management and Infrastructure Committee. Just so the Minister fully understands, the report and this committee motion here, I am not going to support this motion. It is too open-ended. It gives a priority to the acceleration of Highway 3 and forget about the rest of the Territories. I do not think so, Mr. Chairman, so I will be voting against the motion.

**CHAIRMAN (Mr. Krutko):**

To the motion. Mr. Henry.

**MR. HENRY:**

Thank you, Mr. Chairman. Mr. Chairman, I will be supporting this motion and I believe that the National Highways Strategy is a program that the GNWT can take advantage of to provide the acceleration of this particular project. I believe it is an excellent opportunity for the government of the Northwest Territories to get additional resources from that federal program, as it is a program designed to link the capitals together. Another avenue that I would certainly be supporting the particular initiative on is, there is a commitment that the project be carried out and, Mr. Chairman, in the days of fiscal restraint, any additional resources or any way this government can be prudent with the way it spends money should be looked at. Another method that this government can engage in is to do a cost analysis of what it would take to accelerate the project and provide financing for that on an ongoing basis. I think there have been studies which have proved already that there is a potential savings to accelerating the program and financing it as opposed to doing a piece each year. I will be supporting the motion in the interest of being fiscally responsible. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Henry. To the motion. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I moved the motion and naturally will be voting in favour of it. There are efforts underway to deal with the National Highways Strategy on a federal basis. I believe the Minister has attended meetings to seek possible further funding and if funding is made available on a national basis, this particular highway is one that will qualify. Other highways may not, I understand only certain highways will. If there is a possibility of accessing funds, then there is a potential for us to accelerate development of and to finish this particular highway, which has traditionally been a problem.

There is no question that there are other needs in the territory. I fully respect that. In the long run, I think if we can accelerate this highway, it will be more economical. We have had some briefings on it to indicate that if this is stretched out over an eight year period it would be substantial money, whereas cost

savings can be obtained if it is done over, for example, a three year period. The cost will be much less in the long run. Then, of course, the funds become available and no longer will this substantial amount of money that is needed for this be devoted to this highway system. Those are my comments. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Ootes. To the motion. Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I will be voting in favour of this motion as well, Mr. Chairman, as many times I have driven that highway and after you have just driven for 20 hours or whatever, you do not feel like coming through a road that is like a snake and very dangerous, particularly when it is wet, when it is raining. When you are tired, it is a very scary situation. I can just imagine how tourists feel when they have

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just been driving for a long time with their expensive motorhomes. Mr. Chairman, this is not a good way to greet those tourists who are here to spend hard-earned dollars in our area. I do not believe that waiting for eight to ten years or, as some people have mentioned, even longer, to finish the road is the way to go.

I think that we can accelerate it, but at the same time I would like to ensure that the benefits in building this road actually goes to the people of the north. We cannot accelerate it to such a degree that we have to use all types of southern construction companies to build this road. We have to ensure that northern companies get these contracts and that they have training programs in place so that local people can be trained to drive trucks and whatnot, so that we can have a better trained workforce who can move back and forth from working on highways for municipalities, in open pit mines or wherever. Mr. Chairman, as I said, I will be voting in favour of this motion, but I want to ensure that this is not accelerated to such a degree that the benefits do not accrue properly to the people and the businesses of the Northwest Territories. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Erasmus. To the motion. Question has been called. All those in favour? All those

opposed? The motion is carried. At this time I would like to ask the Minister if he wishes to bring in witnesses?

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. I do.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Does the committee concur?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

I will ask the Sergeant-at-Arms if he would escort the witnesses in. Mr. Minister, would you please introduce your witnesses for the record.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, to my right is the Deputy Minister, Mr. Peter Vician, and to my left is director of transport planning, Mr. Masood Hassan.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. General comments. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. I will keep my comments as brief as possible and I will also include a few questions in it. Mr. Steen, you are well aware of the Northwest Territories, you are a person who has travelled through the Northwest Territories, the Western Territory. You have probably been in just about every community from Fort Smith to Tuktoyaktuk to Sachs Harbour, all the way up the valley. You understand that there is a community up there on the coast called Tuktoyaktuk and Tuktoyaktuk has been trying for years to get a link between itself and Inuvik. Will you as a Minister responsible in your department work with the people of the Beaufort Delta to ensure that they get equal treatment from this government as well as access to some dollars to start looking at the feasibility and try to establish that link between Tuktoyaktuk and Inuvik. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**MR. STEEN:**

Thank you, Mr. Chairman. As the Member has referenced, I am well aware of the highway needs between Inuvik and Tuktoyaktuk and I am aware that the department has been working with both communities, both Inuvik and Tuktoyaktuk, through their highway planning committee and it is through the Highways Strategy which involves studies of four separate regions that we are trying to address the highway between Tuktoyaktuk and Inuvik. At the present time there is a study going on financed by the department in particular to the Tuktoyaktuk-Inuvik connection and I believe the study is at the stage where they are calling for requests for proposals for identifying what process would be required in order to obtain the land and right-of-way for the highway. What groups would have to be contacted, who owns the land, and at this point in time I am only aware of Inuvialuit and crown land being involved, but there is a need to identify exactly what the process is to obtain these lands and right-of-ways, so there is a study being undertaken and I think that the department plans to have this study done by August of this year. After that it would be part of the overall Highway Strategy of the department as to what exactly would be the outcome of all these studies of the four regions and then we would identify priorities, which area we would want to start with and, hopefully, we could have some kind of financing in place by then as to possibly advancing on all four areas at once if that is the identified proposal and the choice of the Assembly and the department and Cabinet, I presume. So that is where the whole thing sits right now and in the end it would be part of the territorial Highways Strategy. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. General comments. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. In your budget, Mr. Minister, and also through the committee report, committee Members would like to see the amount decreased on Highway 4. This is the road that goes out, the majority of it is used by the diamond haulers and all that to move equipment in and get to the winter road access. In your budget, Mr. Minister, you have \$550,000. That is money to be spent, or has that money been spent?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I will ask my deputy, Mr. Vician.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Vician.

**MR. VICIAN:**

Thank you, Mr. Chairman. The funding for Highway 4 project which is located approximately six kilometres outside of Yellowknife deals with improvement of the road on the Ingraham Trail. That serves the Ingraham Trail proper but, as well, that specific location serves the community of Detah and a program was set up specifically to deal with spot improvements or safety locations that were at risk. The funding was identified in the past fiscal year at \$500,000. The current funding proposed is \$550,000 for the current year. The work proceeded last year to begin work and at that stage a multi-year contract was entered into to begin the work. That work carried on during the winter and completion being subject to this year's appropriation. Some of that work has already proceeded and that is where the project sits at this point. All of the funds that are identified with last year's fiscal funding and the proposed

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funding for this year will go to the location currently under construction. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Vician. Mr. Morin.

**MR. MORIN:**

Some of this money is spent already? The \$550,000?

**CHAIRMAN (Mr. Krutko):**

Mr. Morin, could you restate your question because I believe your microphone was off for a short bit.

**MR. MORIN:**

Thank you, Mr. Chairman. Was any of this \$550,000 spent as of today?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**MR. STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, I have been advised that some of the \$550,000 has been spent as of now in relation to the fact that it is a multi-year project. However, I will let Mr. Vician expand on that matter.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Vician.

**MR. VICIAN:**

Thank you, Mr. Chairman. Yes, some of the funding has been spent in accordance with the authority under the Interim Appropriation Bill. The contract was identified for expenditure early in the year and that did proceed. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Vician. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. So then Members cannot really consider this project. It is committed, the money is being spent already, the contract has been let, so this committee motion from the Government Operations Committee should have saved the paper it is written on, I guess, on this one because it is already committed, the contract is let, part of the money is spent, even if the Members chose to reduce this, it could not be possible. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, the fact is, \$700 some odd thousand of the \$1.05 million is, in fact spent, yes. The completion of the project would have been to the cost of \$1.05 million, so the overall plan of the project over two years would have been that this year the project be completed, however, the Member is right, some of the money is spent already, yes.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. General comments? Mr. Erasmus.

**MR. ERASMUS:**

Thank you, Mr. Chairman. I just wanted to comment on this money being spent on Highway 4, the allocation of \$550,000. As has been noted, this road is also the road that the community of Detah uses for nine months of the year and if you take the population of Detah and the population of the people that live on the Ingraham Trail, that population is more than several communities in the Western Arctic and very close to some others. I am well aware of the work that is being done on that highway, which incidentally is in Yellowknife North, and that particular stretch of road is a very dangerous area and I think that it is high time that it was fixed and I cannot agree with the committee when they indicate that they would like to see this amount decreased and put into the main highway system. I would like to see this work continued and finished as planned. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Erasmus. That was more of a comment than a question. General comments. Details. We are on page 10-9, Department of Transportation, activity summary, corporate services, operations and maintenance, \$7.053 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Page 10-11, Department of Transportation, activity summary, airports, operations and maintenance, \$12.608 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Airports, details of capital, land and buildings, headquarters region. Total headquarters region, \$250,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Fort Smith region. Total Fort Smith region, \$610,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Inuvik region. Total Inuvik region, \$430,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total land and buildings, \$1.29 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Heavy equipment vehicles, headquarters region. Total headquarters region, \$587,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Fort Smith region. Total Fort Smith region, \$430,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Inuvik region. Total Inuvik region, \$460,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total heavy equipment vehicles, \$1.477 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Other equipment, headquarters

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region. Total headquarters region, \$50,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total other equipment, \$50,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Infrastructure, headquarters region. Total headquarters region, \$644,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Airports, page 10-16, Fort Smith region. Total Fort Smith region, \$127,000. Agreed? Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. Under airports in the Fort Smith region, Fort Resolution has an airport. At the present time, the maintenance, I believe, has been turned over to the community of that airport and the community will take it over. The traffic has reduced quite a bit in that airport. Can I get a commitment from the Minister to come into Fort Resolution to inspect the airport, as well as the Fort Resolution highway and the Lutselk'e airport?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. I thank the Member for that offer and I will commit to, as my schedule allows, going to Fort Resolution to do an inspection.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. Also, not unlike Yellowknife airport, Yellowknife airport sits on a large land base, so do the airports in our communities. Also, there is much available land near the airport and on transportation land, now the government's land. I know there is some talk in the community of trying to get the use of some of that land. Can the Minister please get from his department the minimum need of land in Fort Resolution, the minimum amount of land you need for that airport?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, before I go into the community I will be in touch with my officials on that particular issue. As well, I will probably have my officials with me when I go into the community.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Ootes.

**MR. OOTES:**

Thank you, Mr. Chairman. I move that the committee continue sitting until we have completed this department and extend sitting hours until we have completed this particular department.

**CHAIRMAN (Mr. Krutko):**

The motion is in order to continue sitting until we conclude this department. It is not debatable. All those in favour? All those opposed? The motion is carried. We are dealing with airports, Fort Smith region. Total Fort Smith region, \$127,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Inuvik region. Total Inuvik region, \$230,000.  
Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total infrastructure, \$1.001 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total capital, \$3.818 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Highways. Operation and maintenance, \$16.933 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Page 10-21. Highways, detailed capital, heavy equipment vehicles, headquarters region. Total headquarters region, \$634,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Total heavy equipment vehicles, \$634,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Infrastructure, headquarters region. Total headquarters region, \$100,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRMAN (Mr. Krutko):**

Fort Smith region. Total Fort Smith Region, \$13.655 million. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. Under this region and under Highway 4,0-67, 69, reconstruction, \$550, 1999-2000 for a total project cost of \$15.150 million. There is a committee recommendation to see if this amount can be decreased and put into the main highway system? Will the Minister consider this recommendation and to see if this amount can be decreased? I know there has been money spent already. I know some of this money has been spent, but possibly there may be a way to decrease it without lowering the safety standard of the highway.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, there is no doubt that the department will consider the motion put forward by the committee. We will have to take into consideration the fact, like Mr. Erasmus mentioned, that is a very dangerous section of the highway in regards to that particular curve the department is trying to do away with by cutting through that rock. We will take into consideration the fact that some of the money is spent and we will see whether or not, in fact, we could address the situation and redirect some of the money that is left of the project, if any. However, at this point in

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time the anticipated future costs of \$14.1 million is just that. It is an anticipated cost. There are no plans at this time to go beyond the \$1.05 million. The future \$14.10 million is going to take a lot of planning before we can actually find this money to actually apply it to the highway. We will be addressing the final figure of \$15.1 million in that way. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. We are dealing with highways, Fort Smith region. Mr. Morin.

**MR. MORIN:**



Thank you, Mr. Chairman. I guess the best to describe it is to tell the Minister a bit of a story about this highway superintendent out of the Hay River region. One of them was born and raised in the Northwest Territories and last spring, I think it was, I was in Fort Resolution and people were complaining about the highway coming into Fort Resolution because it has a tendency to wash out and has a tendency to have low spots, lots of water problems, so I told the gentleman that people are complaining about the highway. They do not think the highway is in very good shape. He says to me, well young man, I will tell you, I think that highway is in pretty good shape considering it was built on the bottom of the lake. That is basically where it was built for the last ten miles. You do have a program in place for drainage for the last ten miles into Fort Resolution. They are doing that over the years, trying to fix it, and this road was built on top of, in those days when they built the road they laid the trees down and put the dirt on top of it, so all these huge trees come through in the spring and they are fixing that as best as they can but, to ensure that program is reduced to ensure that work will continue this year on that stretch of highway, will that happen?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. If in fact there is any revenue left after we have addressed that particular curve, I cannot say whether that particular revenue would be applied to any particular region. Regardless of whether there is any revenue left from this project, the department will look into how serious the situation is and the highway to Fort Resolution and try to address it through regular operations and maintenance funding. If, in fact, it requires some capital, then we are going to have to address that next year.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Comments with regards to highways. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. The residents of Fort Smith and Fort Resolution over the years enjoyed having a paved highway and it is paved from Hay River to Pine Point and then it is paved to the Big

Buffalo River Junction. It is a very nice highway, well maintained by Nuni Development Corporation out of Fort Resolution and the government people, as well, out of Fort Smith and Hay River. Over the years there has been a certain amount of maintenance done to that highway, but this government has an investment in that highway. It is a good highway. It is well taken care of, but it is an investment and if you allow your investment to deteriorate to a certain condition you may end up with a gravel highway instead of a paved highway. Are there proper maintenance dollars in this budget and future budgets to ensure that the standard of the highway continues to be the same, continues to be a good highway into Fort Resolution and Fort Smith?

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Morin. Mr. Minister.

**HON. VINCE STEEN:**

Thank you, Mr. Chairman. Mr. Chairman, this particular concern by the Member ties in to some degree with the fact that if the department receives funding, or I should say, if the GNWT receives funding through the National Highways Program, that would in turn free up some funding that we are using right now on Highway 3. The funding we received through the National Highways Program can only be applied to certain areas, in particular, from the border to Yellowknife. That is identified as part of the National Highway Program, so we can only apply that funding to go to particular highways, but it would in fact serve to free up capital funding that we could use to apply to other portions of the highway to improve those sections and that was part of the strategy. That is part of the things we would have to take into consideration if, in fact, we can accelerate Highway 3. Just because we receive federal funding does not mean we are going to be able to accelerate Highway 3. We will have to take into consideration if it frees up enough of our money to be applied somewhere else. Thank you.

**CHAIRMAN (Mr. Krutko):**

Thank you, Mr. Minister. Mr. Morin.

**MR. MORIN:**

Thank you, Mr. Chairman. I guess the concern I would have is the possibility of accelerating Highway 3, and even with the dollars that we have today and where they are being spent, that we have to be

cautious that we do not deteriorate our other highways to the extent where you are going to have major capital programs just to bring them back up to an acceptable standard. That is the concern that I would have, that we do not allow the maintenance of our existing highways to suffer by fast-tracking something else or by putting all the money into one area and then allowing our highways in the South Slave, for example, as well as even the highways into Nahendeh and the Deh Cho area. We have got to be very cautious that we do not slash our maintenance budget to the extent that you are doing damage to the highways instead of good.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Morin. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, I agree with the Member on the fact that we cannot place a higher priority on one highway versus the other as far as operations and maintenance and maintaining those highways to standards. The policy of this department right now is to address operations and maintenance on all highways that we have at this point in time and hold them up to safety standards. Although we are concentrating right now on Highway 3, that does not necessarily mean that we are going to ignore other highways in order to fast track Highway 3. All highways will have to be maintained to safety standards. If there is deterioration of the highways, well then we are going to have to address those as well. Perhaps I will let Mr. Vician, my deputy, expand on that a little bit.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Mr. Vician.

**MR. VICIAN:**

Thank you, Madam Chairperson. The priority, as the Minister said, is to protect the investment in the infrastructure that currently the department has. That is the priority for the operations and maintenance dollars that we have out there. The application of those operations and maintenance dollars is

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distributed around the entire system, including the Dempster Highway, the South Slave highways, North Slave highways and the Deh Cho highways.

Specifically, investments such as paved surfaces are of great concern because once you make the investment in a paved surface it is important to maintain that. The cost of replacing it is very high and therefore dollars are allocated each year through the operations and maintenance budget to preserve the existing surfaces. Some of the sections in the area in the South Slave have been there for a great many years and have been preserved in that fashion because each year we make a reinvestment in some surfacing. That will continue again this year. There are plans to do additional surface repair, what we call reseals, in sections of the highway on the Fort Smith highway between the Highway 2 junction near Hay River and Buffalo Junction, as well. Those programs will continue this summer and will continue in future years as the first priority of the department to protect both surfaces, gravel and paved. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Vician. Mr. Morin.

**MR. MORIN:**

Thank you, Madam Chairperson. Also, we have to be very cautious and the Minister has the ability as well as the qualifications to look at those things, that is your background and we have to be very cautious about not only our highways, but our ditches and drainage are so important and what grows beside those highways and what we allow to grow, so that we do not have a deterioration of the approaches or the ditches so that it holds water and leaves so our highways deteriorate. Also, we have in Fort Resolution the Nuni Development Corporation, a locally owned development corporation, that does highway maintenance. They have been doing the highway maintenance for a number of years now and they negotiated those contracts with your department and they have done the job well, so that will just continue as normal. There will be no change in that as well, right, Mr. Minister?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Morin. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, the opportunity to negotiate contracts by qualified firms in the small communities is always there. When it comes to the department, we are

considering requests to negotiate and will take into consideration their past performance, as well as the fact of how long they have been in the business. We should keep in mind that part of the negotiated contract policy and the end result of that program is to have these small firms qualify to enter the public tender process. In other words, at some point in time we have to accept the fact that they are capable of competing in a public tender process and therefore some consideration will be given to whether or not we are still continuing with negotiated contract policy. The policy will be subject to review at some point in time by Cabinet and by the Legislative Assembly as to whether we still continue with the policy. Until there is a decision to do away with it, we will go by the policy that is established by the government.

I would just like to add, Madam Chairperson, that in the acceleration of Highway 3, there should not be an expectation that this highway is going to be done in less than five years because the funding from the National Highways Program is spread over a five-year period. I do not see this acceleration being anything less than five years. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Morin.

**MR. MORIN:**

Thank you, Madam Chairperson. One of the top priorities of the government is community empowerment, and through community empowerment will this Minister commit to or look at negotiating block funding arrangements through community empowerment for Fort Resolution community groups? They have a community group there, the Deninoo Community Council, the band council, the Metis Local and through community empowerment take over the highway maintenance from Hay River to Fort Resolution because it is a function. It is a service provided by the government. It is a program provided by the government and we would prefer to do it through community empowerment and then we do not have to deal with negotiated contracts, no different than a municipality would do their own contract work, same thing.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Morin. Any comments on that, Mr. Steen?

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, the department and, I am sure, Cabinet will consider any proposals put to us. I cannot commit whether we will accept the proposal or turn over a portion of the highway to a community for maintenance at this point in time, but the department is always open to proposals.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Mr. Morin.

**MR. MORIN:**

Thank you, Madam Chairperson. One last question, Mr. Minister. Maybe I could get a commitment from yourself as a Minister on behalf of your department to work with the community of Fort Resolution to develop a proposal so they can work through community empowerment to block fund the community to maintain the highway between Hay River, Fort Resolution and 40 miles out towards Fort Smith to Sass Creek.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Morin. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. At this point in time I am not sure whether I want to make a commitment because I am not clear what I am going to be getting into here, so it is obviously going to set a precedence and I have to be very careful as to what I am saying here or what I am going to get into because I am sure that there will be other regions or other communities asking for basically the same thing. I have to be careful and not make a commitment at this point in time. I will be open to proposals. I do not commit to working with the community to put forward a proposal, however, I am open to proposals and the department is there and available to assist communities with whatever information they may need to put forward a proposal. I cannot see assisting the communities to make a proposal to the department. That might not be proper. With that, Madam Chairperson, I commit the department to assist the community with whatever information they may need, but I cannot commit to coming forward with a proposal that I

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would in turn have to consider. No, I cannot do that, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. We are on details of capital, Fort Smith region. Mr. Morin.

**MR. MORIN:**

Thank you, Madam Chairperson. Trust me, Mr. Minister, that this is just a commitment from yourself and your department. One of the priorities of the government is to work with the community to develop initiatives, develop community empowerment. What I am asking for is a commitment from yourself to commit your department to work with the community to develop a proposal. There is no other place we can go to get that done. It is only your department that has the information and can assist them to do it because they have to work in conjunction, because ultimately it will be your department that would have the final say on whether or not it got the opportunity to go to Cabinet for consideration. All we are asking for is a commitment to do what government does daily, assist communities to develop a proposal for block funding for that section that I mentioned.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Morin. Mr. Steen.

**HON. VINCE STEEN:**

Madam Chairperson, I already said I would commit the department to work with the community. I already said it.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Mr. Morin.

**MR. MORIN:**

Thank you, Madam Chairperson. That is all the questions I have for now.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. I have Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Just following up on Mr. Morin's comments on transportation. The majority of highways in the Fort Smith region, as you all know, are either paved or chip-sealed. I think that also we have to keep in mind that there are other highways out there and I think that at the present time there

have been law suits filed mentioning this government in the past, in which there have been successful cases where this government has been sued because of the condition of the Dempster Highway. In the last year, there have been a number of people killed on the Dempster Highway and I think a lot had to do with the condition of that road. Yet, Madam Chairperson, in the case of the Yukon, they are seriously considering chip-sealing the Dempster Highway on those portions which are gravelled, especially coming from Dawson City and working north.

I would like to ask the Minister of the department, since the majority of the highways in the Fort Smith region are paved or have chip-seal, has your department considered looking at the possibility of expanding the chip-seal program on those other highway systems to improve the surface of those highways or considered expanding the calcium program so we can maintain the surfaces of those highways and make them safer?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Madam Chairperson, I am not trying to avoid the Member's question, but this particular question applies to Highway 8, which is on the next page. Perhaps we might want to move on to that.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Krutko.

**MR. KRUTKO:**

I would like to make a point of clarification here. I am following up on the questions asked by Mr. Morin in consideration that we do have other highways out there. I think we cannot concentrate all of our efforts and energy to Highway 3 or even Highway 4, for that matter. My point is that we have to take into account that there are other highways out there that have conditions which may be more urgent than these highways that are presently being considered. I think that we have to take into account that the majority of the highways in the Fort Smith region are paved or have chip-seal. Yet, you have to realize that we also have to maintain a lot more highways outside the Fort Smith region, which are in worse condition than this highway system that is presently being discussed. I do not believe that my question is out of line. It is following up on the questions asked by Mr. Morin.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. I do not think that the Minister was insinuating that your question was out of line, but just that from his days of chairing committee of the whole that he may have thought they were better posed on the next page. Do you have a response for that, Mr. Steen?

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I was just trying to envision where the Member would be referring to chip-seal or more calcium being applied and I presumed he was talking about the Dempster Highway, which is in his riding, although it could apply to any area. I do know that the department is considering applying calcium to those areas that we can afford the calcium. I will ask Mr. Vician if he can elaborate on that for the benefit of the Member.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Vician.

**MR. VICIAN:**

Thank you, Madam Chairperson. The Highway Program, the Capital Program specifically has been developed over a number of years post-devolution of the responsibility from the federal government under two specific transfers, one in 1984 and a further one in 1990. With that, a reconstruction strategy has evolved and was established originally in 1990 and has evolved over the years to deal with the highest priority sections of the highway system on a where it is needed most basis. Of course, every day the operations and maintenance dollars preserve the existing system, but the Capital Program has been targeted to deal with the highest priorities. That includes the establishment or the construction of wider roads, better surfaces and includes the application of calcium within the dollars available. The current program in capital overall deals with roads throughout the system, from highways in the Fort Smith region, the Deh Cho and the Inuvik region, as well. The distribution of the dollars is a highest priority distribution for the purpose of safety and the preservation of the existing system. We are continuing to move on that and, of course, the priority to deal with all of that over the long term is one of, hopefully, seeing all of the system dust-controlled at least and, hopefully, seeing

it all surfaced over some period of time. With the current level of funding, of course, that is a long time away. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Vician. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. I would like to know exactly what has happened to the calcium budgets that were in place in the past for the Fort Smith region. They used to have a large calcium budget to maintain or dust-control that highway system. For instance, between here and Fort Rae the majority of that road is calciumed every year. In the case of the other highway systems, very small amounts are being spent on putting calcium and maintaining the surfaces of our other highways. So because the majority of the highways in Fort Smith region are either paved or chip-sealed, where did the money go that was there in the past to calcium a large portion of that highway?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I think the deputy would be the more appropriate person to answer that question.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Mr. Vician.

**MR. VICIAN:**

Thank you, Madam Chairperson. Funding for calcium is incorporated within the operations and maintenance budget for the program for highways over the years. For many years, that funding was approximately \$1 million throughout the system. During the difficult period of dealing with the budget restraint a few years ago, that budget was affected and all parts of the system were impacted by that budget restraint in 1996-97 and post years. The funding that is available now does deal with attempting to preserve the calcium that was in place and wherever possible increasing that. As sections of the highway, for example on Highway 3, are improved we try to take those savings for the kilometres as they are absorbed into the surfacing portion and leave it in the calcium budget overall.

However, on an incremental basis of that nature, the dollars are minimal and, for example, this past year the dollars saved from last year's surfacing were invested strictly into cost increases associated with the contracts for calcium, which of course are subject to inflationary pressure and costs that go up on a regular basis. The objective, of course, is to take any savings from reconstruction and put it back into calcium and, of course, maintain what calcium we have on the system currently. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Vician. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Can the Minister give me a listing of exactly where these expenditures have been spent to upgrade the calcium program and which highways it has been spent on?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. I do not know if the deputy has that information at hand or not...he indicates he does not have the information in his hands, so we are going to have to get the information to the Member at a later time.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Department of Transportation, Fort Smith region. Total Fort Smith region, \$13.655 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. Inuvik. Mr. Krutko.

**MR. KRUTKO:**

No, that is okay. I was going to disagree.

**CHAIRPERSON (Mrs. Groenewegen):**

I have to call the item first. It is Inuvik region. Total Inuvik region, \$3.2 million. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Madam Chairperson, with regard to the Inuvik region highway construction, I made reference to lawsuits and court cases that have happened in the past where this government has been sued and, Madam Chairperson, in the last year there have been several accidents where people have been killed on this highway. I would like to know from the department exactly if there have been any lawsuits filed in the last year that they are aware of and exactly what is this government doing to improve the conditions on the Dempster Highway so no more people get killed on that highway system?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Mr. Vician will respond to those two questions.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Vician.

**MR. VICIAN:**

Thank you, Madam Chairperson. The specific question with regard to lawsuits, we checked with the risk management section of the government to determine any lawsuits that had been filed on the Dempster Highway as a result of accidents. Those filings would, of course, go through that route and the information we have available is that we have no current lawsuits on that section of road. The specific issue of the improvement of the road to protect the public is a priority and the Dempster Highway Reconstruction Program, which has been ongoing for many years, essentially since the transfer date in 1990 from the federal government, has directly targeted the improvement for safety of that roadway. The 271 kilometres, though, is a long piece of road, very difficult terrain to work in, very high cost and the program has been very successful to date and we hope it will continue to be so successful, but will take a number of years to complete. At the same time, priority areas are set and each year before we propose the Capital Program we assess the next priority and bring forward a plan for reconstruction for the highest priority area. We will continue to do so through the highway reconstruction plan. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Vician. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Just to expand on what Mr. Vician said, the figures in the budget identify that the department did spend in prior years, \$4.5 million for highway improvements on the Dempster Highway and future costs anticipated are \$10 million. We are trying to address the problems on the Dempster Highway. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. I drive this highway quite regularly and I know for a fact that when people say that the highway systems in the South Slave region or Highway 3 or even the highway to Fort Liard is rough, they should drive the Dempster Highway. Basically, the condition of that highway is like going four-wheeling in a quarry pit compared to some of these highway systems we have up here and people should drive that highway system for themselves to see exactly what the condition of that highway is. I know for a fact there have been several accidents on that highway and, personally, driving that highway system was in regard to the condition of that road system. It is a gravel highway on which a lot of times you are dealing with loose gravel and you are dealing with conditions which most drivers are not able to manoeuvre on because they just do not have the experience of driving on gravel roads.

Madam Chairperson, I ask this question about calcium and resurfacing and finding a way to deal with this problem of loose gravel and accidents seriously. I would like something to be done because I know for a fact people are dying on that highway because of the condition of the highway. I am not asking this question frivolously because I am serious when I ask the question and I would honestly like to see this department do something to improve the condition of that highway system. If it means spending more money on calcium or trying to chip-seal it, I support that 101 percent. Just by saying that you are putting money to widen the highway system, I am talking about the maintenance of improving the condition of that highway system to bring it in line with the road

between here and Fort Rae. If I had what is between here and Fort Rae, I would be happy because that is almost 99 percent better than what the Dempster Highway is. It is a solid surface on which if you pull over to the side of the road you do not have to worry about ending up in the ditch. I would like to ask the Minister again, what is being done to extend the cost of maintaining the surface of the road to make it safe for the public to travel on?

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Mr. Steen.

**HON. VINCE STEEN:**

Thank you, Madam Chairperson. Madam Chairperson, the department is well aware of the condition of the Dempster Highway and the department does make efforts to maintain the highway in a safe condition. That is not to deny that the highway needs improving. The Member is correct, the highway does need improving. However, I do not think there is any point in talking about chip-sealing the Dempster Highway until the highway is widened and there is a base for the chip-seal. Normally you do not apply chip-seal to the highway until it is brought up to certain standards. Before the chip-seal process is considered, calcium is used, as the Member referred to. Again, the department will consider within the funding we have adding more calcium to the Dempster Highway but, again, we are very restricted on funding and bringing calcium all the way to the Dempster Highway is very expensive, so we have to take that into consideration along with the amount of traffic on the highway. All this we will commit to, reconsidering the amount of calcium on the Dempster Highway, but we have to take all these factors into consideration and then we will make a decision. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Total Inuvik region, \$3.2 million. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. At this time I would like to move a motion.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Could you please repeat the motion, Mr. Krutko.

Committee Motion 17-13(7): Giving Priority to Accelerating Highway 8 Reconstruction

**MR. KRUTKO:**

Madam Chairperson. I move that this committee recommends the department gives priority to the clarification of Highway 8 reconstruction.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. The motion is in order. To the motion. Mr. Henry.

**MR. HENRY:**

Thank you, Madam Chairperson. Madam Chairperson, this motion comes pretty fast out of the blue and I will not be supporting this motion because, I mean, I would need a lot more information on what the condition of that particular highway is. I think it is pretty evident from the discussions we have had here between the Minister and Mr. Krutko that there seems to be a difference of opinion as to the quality of the highway. More than that, Madam Chairperson, I accept that there are professional people within the department who are able to assess the standards and qualities of the highway and also, I mean there are many factors and I think the Minister had eluded to that. There are many factors taken into consideration when the department lays out its plans, so just to vote in favour of this at this time without that additional information, to me, would not be acceptable. Thank you, Madam Chairperson.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Henry. To the motion. Mr. Ootes.

**MR. OOTES:**

Thank you, Madam Chairperson. I also cannot support this motion. Not that I perhaps would not be understanding of the need to address the Highway 8 reconstruction, it is just that it comes unawares. The motion is coming at me without a lot of information or a lot of knowledge, so under the circumstances I find myself in a situation where I have to vote against the motion. Not that I would be tremendously against the idea of investigating this possibility, but certainly at this particular time I cannot support the motion. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Ootes. To the motion. Question has been called. All those in favour? All those opposed? The motion is defeated. Inuvik region, total

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Inuvik region, \$3.2 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total infrastructure, \$16.955 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total capital, \$17.589 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Page 10-25, ferries. Operations and maintenance, \$3.949 million. Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. I would recognize a quorum.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you. I believe there are eight, including myself. Oh yes, Mr. Steen, as well. Thank you, I believe there is a quorum. Continuing on. Ferries, operations and maintenance, \$3.949 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Ferries, details of capital, other equipment, Fort Smith region, Total Fort Smith region, \$25,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.



**CHAIRPERSON (Mrs. Groenewegen):**

Inuvik region. Total Inuvik region, \$25,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total other equipment, \$50,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Infrastructure, Fort Smith region. Total Fort Smith region, \$700,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total infrastructure, \$700,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total capital, \$750,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Page 10-29, community marine. Operations and maintenance, \$115,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Community marine, details of capital, contributions, headquarters region. Total headquarters region, \$80,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total contributions, \$80,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Infrastructure, headquarters region. Total headquarters region, \$150,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total infrastructure, \$150,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total capital, \$230,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Community local access. Roads, operations and maintenance, \$75,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Community local access roads, grants and contributions. Contributions. Total contributions, \$14,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total grants and contributions, \$14,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Community local access roads, details of capital, contributions, headquarters region. Total headquarters region, \$60,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Fort Smith region. Total Fort Smith region, \$220,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Inuvik region. Total Inuvik region, \$200,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total contributions, \$480,000. Agreed?

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**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Infrastructure, headquarters region. Total headquarters region, \$20,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total infrastructure, \$20,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total capital, \$500,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Motor Vehicles Program, operations and maintenance, \$2.303 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Page 10-41, information item, active positions. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Details of work performed on behalf of others. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

If I am going too fast, please just say so. Total department, \$2.795 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Turn back to page 10-7, program summary, Department of Transportation. Operations and maintenance, \$43,036. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Capital. Total capital, \$22.887 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Total expenditures, \$65.923 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Does the committee agree that this matter of the Department of Transportation has been concluded?  
Mr. Krutko.

**MR. KRUTKO:**

Thank you, Madam Chairperson. Just before we leave this department, I would like to remind the Minister that he is here to represent all the people of the Northwest Territories and also the people in the department that work for the Department of Transportation. They have to keep in mind that there are more highways out there than the ones around Yellowknife and that you do take into account that whenever there is an accident on the Dempster Highway or any highway in the territories, this government has to take some responsibility for the condition of the roads, especially the gravel road systems we have in the Northwest Territories. In regard to the condition of the Dempster Highway, I have stated it for the record. In case you missed it, I will state it again.

There have been three accidents that I know of personally in the last two years where people were killed. There have been tourists killed on our highway system. When you are on a honeymoon and you go to a new country such as Canada, I am talking about a few Japanese tourists who were killed just outside Fort McPherson. I, for one, drove that highway a day before they had that accident and I told the person who was in charge of that highway system that day when I got to Fort McPherson, which was the day before this accident, someone is going to get killed on that section of the highway because it was not marked. The gravel was loose, and it was in an "s" turn coming down the hill from the Dempster Highway which comes out of the Richardson Mountains to the Peel River. At that time, I basically made it clear to the individual who was in charge of highways in the Inuvik Region that someone was going to get killed. The next day, a tourist couple who just got married

and were on their honeymoon was killed at the exact spot where I mentioned someone was going to get killed. Yet, I do not find this department taking it seriously and I would hope to see that they sue the pants off this department and maybe then we will get some attention from the Department of Transportation to take these concerns seriously.

When I state that I am aware of accidents, just in the last couple of weeks a young gentleman by the name of Don Stewart was killed on the Dempster Highway. Yes, alcohol-related, but the portion of the highway where it happened it also a very hazardous spot in which there is a major dip at Frog Creek, which if you are not aware of it and you hit it at any speed then you are going to have an accident. Madam Chairperson, we have to take the safety factor seriously when that component is being dealt with. I, for one, have driven a lot of highways in my day and I have worked on a lot of highways in my day. The majority of that time was on the Dempster Highway. I do not know how much farther to state this, but when I make reference to conditions on the roads and whatnot, there was a Member of the Legislature from the Yukon killed on the Dempster Highway a number of years ago in which this government was sued over \$1 million. One million, Madam Chairperson, for the record, yet everybody swept it under the rug and are waiting for the next one to happen.

I know for a fact there is presently a lawsuit filed against Tetlit'Zeh Construction because of an accident that happened on the Dempster Highway and I thought the department might have known about that, yet, I asked the question and the deputy minister did not seem to be aware of it. He is the deputy minister who is responsible for highways in the Northwest Territories. I strongly feel that this government has to take more responsibility in improving not just the highways that have pavement on them, but take into account there are highways which are in worse shape than the paved highways or the chip-sealed portions of the highways in the Western Territory and take into account there is a larger territory than the Fort Smith region in the

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Northwest Territories. With that, Madam Chairperson, I believe it is on the record, so be it.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Krutko. Does the committee agree that the Department of Transportation consideration of the appropriation is concluded? Agreed?

**SOME HON. MEMBERS:**

Agreed.

**CHAIRPERSON (Mrs. Groenewegen):**

Thank you, Mr. Steen. Thank you, Mr. Vician. Thank you, Mr. Hassan. I will now rise to report progress.

**MR. SPEAKER:**

The House will come back to order. We are on item 21, report of committee of the whole, Mrs. Groenewegen.

**ITEM 21: REPORT OF COMMITTEE OF THE WHOLE**

**MRS. GROENEWEGEN:**

Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 17 and Committee Report 1-13(7) and would like to report progress with one motion being adopted and, Mr. Speaker, I move that the report of the committee of the whole be concurred with. Thank you, Mr. Speaker.

**MR. SPEAKER:**

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

**ITEM 23: ORDERS OF THE DAY**

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

Mr. Speaker, a meeting of the Standing Committee on Resource Management and Infrastructure immediately after adjournment. A meeting at 9:30 a.m. tomorrow of the Standing Committee on Government Operations.

Orders for the day for Wednesday, April 28, 1999:

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 Motion for First Reading of Bills
16. Motions
  - Motion 19-13(7)
17. First Reading of Bills
  - Bill 18, Loan Authorization Act, 1999-2000
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 17, Appropriation Act, 1999-2000
  - Committee Report 1-13(7)
20. Report of Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

**MR. SPEAKER:**

Thank you. This House stands adjourned to Wednesday, April 28, 1999, at 1:30 p.m.

--ADJOURNMENT