

# NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

5<sup>th</sup> Session Day 44 17<sup>th</sup> Assembly

# **HANSARD**

Tuesday, October 28, 2014

Pages 5001 - 5032

The Honourable Jackie Jacobson, Speaker

# Legislative Assembly of the Northwest Territories

# Members of the Legislative Assembly

# Speaker Hon. Jackie Jacobson

(Nunakput)

Hon. Glen Abernethy

(Great Slave) Minister of Health and Social Services Minister responsible for Persons with Disabilities Minister responsible for Seniors

Hon. Tom Beaulieu

(Tu Nedhe) Minister of Human Resources Minister of Transportation Minister of Public Works and Services

Ms. Wendy Bisaro (Frame Lake)

Mr. Frederick Blake (Mackenzie Delta)

Mr. Robert Bouchard

(Hay River North)

Mr. Bob Bromley (Weledeh)

Mr. Daryl Dolynny (Range Lake)

Mrs. Jane Groenewegen

(Hay River South)

Mr. Robert Hawkins

(Yellowknife Centre)

Hon. Jackson Lafferty

(Monfwi) Deputy Premier Minister of Education, Culture and **Employment** Minister responsible for the Workers' Safety and Compensation Commission

Hon. Bob McLeod

(Yellowknife South) Premier Minister of Executive Minister of Aboriginal Affairs and Intergovernmental Relations Minister responsible for Women

Hon. Robert C. McLeod

(Inuvik Twin Lakes) Minister of Municipal and Community Affairs Minister of Lands Minister responsible for the **NWT Housing Corporation** Minister responsible for Youth Mr. Kevin Menicoche

(Nahendeh)

Hon. J. Michael Miltenberger

(Thebacha) Government House Leader Minister of Finance Minister of Environment and Natural Resources Minister responsible for the NWT Power Corporation

Mr. Alfred Moses

(Inuvik Boot Lake)

Mr. Michael Nadli

(Deh Cho)

Hon. David Ramsay

(Kam Lake) Minister of Justice Minister of Industry, Tourism and Investment Minister responsible for the Public Utilities Board

Mr. Norman Yakeleya (Sahtu)

**Officers** 

Clerk of the Legislative Assembly

Ms. Colette Langlois

**Deputy Clerk** 

Principal Clerk, Committees and **Public Affairs** 

Principal Clerk, Corporate and Interparliamentary Affairs **Law Clerks** 

Mr. Doug Schauerte

Mr. Michael Ball

Ms. Gail Bennett

Ms. Sheila MacPherson Ms. Malinda Kellett Mr. Glen Rutland

Box 1320 Yellowknife, Northwest Territories Tel: (867) 669-2200 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784 http://www.assembly.gov.nt.ca

# **TABLE OF CONTENTS**

PRAYER	5001
MINISTERS' STATEMENTS	5001
106-17(5) – Junior Kindergarten (Lafferty)	5001
107-17(5) - Tourism Numbers Rise 20 Percent across the Territory (Ramsay)	5001
108-17(5) – 2014 Forest Fire Season (Miltenberger)	5002
MEMBERS' STATEMENTS	5004
Prairie Creek Mine Remediation Securities (Menicoche)	5004
Relief from Rising Homeownership and Household Costs (Yakeleya)	5004
Sustainable and Renewable Energy Infrastructure Subsidies (Bromley)	5005
Power Subsidies for Homeowners and Small Business Owners (Moses)	5005
Solutions to the High Cost of Living (Bisaro)	5006
Northern Residents Tax Deduction (Hawkins)	5006
Addressing Basic Needs in Small Communities (Nadli)	5007
Creative Solutions to Address High Energy Costs (Bouchard)	5007
Ground-Coupled Heat Exchange Energy Production (Dolynny)	5008
Controlling the High Cost of Living (Groenewegen)	5008
Lowering the Cost of Living in the Mackenzie Delta (Blake)	5009
RECOGNITION OF VISITORS IN THE GALLERY	5009
ORAL QUESTIONS	5009
RETURNS TO WRITTEN QUESTIONS	5020
TABLING OF DOCUMENTS	5021
SECOND READING OF BILLS	5021
Bill 33 – An Act to Amend the Elections and Plebiscites Act, No. 2	5021
CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS	5022
REPORT OF COMMITTEE OF THE WHOLE	5031
ORDERS OF THE DAY	5031

#### YELLOWKNIFE, NORTHWEST TERRITORIES

# Tuesday, October 28, 2014

#### **Members Present**

Hon. Glen Abernethy, Hon. Tom Beaulieu, Ms. Bisaro, Mr. Blake, Mr. Bouchard, Mr. Bromley, Mr. Dolynny, Mrs. Groenewegen, Mr. Hawkins, Hon. Jackie Jacobson, Hon. Jackson Lafferty, Hon. Bob McLeod, Hon. Robert McLeod, Mr. Menicoche, Hon. Michael Miltenberger, Mr. Moses, Mr. Nadli, Hon. David Ramsay, Mr. Yakeleya

The House met at 1:31 p.m.

# **Prayer**

---Prayer

**SPEAKER** (Hon. Jackie Jacobson): Good afternoon, colleagues. Item 2, Ministers' statements. The honourable Minister of Education, Culture and Employment, Mr. Lafferty.

# Ministers' Statements

# MINISTER'S STATEMENT 106-17(5): JUNIOR KINDERGARTEN

HON. JACKSON LAFFERTY: Mr. Speaker, I want to assure you that I have been listening carefully to Members during the recent debate around Junior Kindergarten. I also want to assure you that the Government of the Northwest Territories remains committed to the principle that focused, targeted support during their first years of life will help our children reach their full potential and become healthy, educated. successful adults. government has introduced Junior Kindergarten, a program designed to achieve just this result, Mr. Speaker, and has already rolled it out successfully to 23 communities.

I believe that the people of the Northwest Territories agree with this government that our children deserve the best support possible to give them the right start in life. At the same time, I recognize that people have reservations about the way the program is being implemented. The Government of the Northwest Territories respects those concerns, and I want to reassure Members and the public today that we are listening carefully to what they are saying.

We planned for a phased rollout of Junior Kindergarten, Mr. Speaker, to ensure we would have the opportunity to review and adjust the program implementation, and that is what we will do. I want to be clear with Members that before our government goes ahead with years two and three of the Junior Kindergarten rollout, we will do a thorough review of our implementation plans.

That review will allow us to assess the success of the program in the 23 communities already delivering it and to address any issues identified during the first months of program delivery. It will also allow us to hear again from parents, educators, communities and other stakeholders on their views and concerns. I commit to returning to the Assembly with the results of that review and any required changes to the implementation plans during the coming winter session.

Clearly, we need to do more for our children, Mr. Speaker, and Junior Kindergarten is the way to do it. But it is also clear from the current public debate that our government needs to do more in planning for the continued rollout of this program, particularly in the area of engaging parents, educators and the public.

We remain committed to Junior Kindergarten, Mr. Speaker. We still believe it is the right program for all those parents across the NWT who chose JK for their four-year-olds. We will look to move forward in a way that is sensitive to the concerns of parents, educators, daycare operators, Aboriginal Head Start programs and other stakeholders.

Implementing this program will require changes, we need to be clear about that, but the children of the NWT deserve the support and the advantages that Junior Kindergarten will give them. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. The honourable Minister of Industry, Tourism and Investment, Mr. Ramsay.

# MINISTER'S STATEMENT 107-17(5): TOURISM NUMBERS RISE 20 PERCENT ACROSS THE TERRITORY

**HON. DAVID RAMSAY:** Mr. Speaker, in the 2013-2014 fiscal year, there was a tremendous increase in the number of visitors and visitor spending in the Northwest Territories, and today I would like to share details of this exciting growth with Members.

Last year we welcomed over 90,000 visitors. This is our highest number of visitors in the last decade and an increase of 20 percent from the previous year.

Visitor spending also rose by 24 percent to \$132.5 million.

Tourism is this territory's largest renewable resource-based sector and these numbers demonstrate that this government and our partners

are on the right track to promoting the NWT as a spectacular destination.

Last year the Department of Industry, Tourism and Investment increased funding to NWT Tourism, the GNWT's destination marketing organization, by \$1.2 million. The visitor numbers I just shared with you demonstrate that increased investment in marketing achieves results.

The two largest factors for this increase are aurora viewing and business travel. The number of aurora viewing visitors has been on the rise over the last five years, with a substantial 38 percent increase last year.

The NWT is known as the Aurora Capital of the World and clearly this message is reaching far beyond our borders. Our marketing efforts overseas, particularly in China, Japan and Korea, are paying off, and we expect the demand for aurora tourism to continue to increase.

The number of business travellers also grew by an unprecedented 47 percent and the GNWT is well-positioned to strike while the iron is hot. As I shared with you last week, the NWT Economic Opportunities Strategy recommended we establish a conference bureau to support business travel. We took action on this recommendation and signed a contribution agreement with NWT Tourism to establish this bureau last June.

NWT Tourism now provides support to conference planners looking to host events in this territory. Not only will this strengthen our business travel sector but it will provide spin-off benefits for all sectors, including transportation suppliers, hotels, restaurants, artisans and tour operators in all regions. NWT Tourism has already assisted conference planners who are interested in holding conferences here and is working to attract new ones.

We are also working with our partners and lodge operators to strengthen those areas of tourism that have experienced a decline, such as the number of fishing visitors from the United States. Through better research and the launch of a marketing campaign, we are working to improve these numbers.

Mr. Speaker, last year's numbers bode well for the future of tourism in the NWT, and ITI is dedicated to seeing all sectors and all communities thrive. With a dedicated industry and focused strategies in place, tourism will continue to provide great economic benefits for the NWT and contribute to a diversified and sustainable economy for our residents. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Environment and Natural Resources, Mr. Miltenberger.

# MINISTER'S STATEMENT 108-17(5): 2014 FOREST FIRE SEASON

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, the 2014 forest fire season is officially over.

This year a total of 3.4 million hectares of forested land were affected by 385 wildland fires. This was composed of six reported fires in the Inuvik region, 32 in the Sahtu region, 52 in the Deh Cho region, 143 in the North Slave region and 152 in the South Slave region. An estimated \$60 million was spent fighting fires in the 2014 forest fire season.

In keeping with established policies, action was taken on 126, or 33 percent, of reported fires to protect values at risk. Wildland fire responses were required on eight large complex fires that had the potential to affect communities and other major infrastructure.

The 25-year average annual fire load is 262 fires affecting 528,000 hectares of northern forest lands.

Core support to the fire program this year included six helicopters and four air tanker groups from both territorial and other Canadian aircraft contracting companies. Several short-term casual helicopters and fixed-wing aircraft were hired through the fire season to supplement the core program. Additional tanker groups were imported from other provinces through the Mutual Aid Resources Sharing Agreement, or MARS Agreement, to assist with the heavy fire load.

Twenty-eight type 1 government and contract wildland fire crews were located across the NWT to provide initial attack capacity. Another 175 seasonal and permanent personnel provided direct support to the fire program.

Several additional national resources were brought on over the fire season to help with ongoing fires and initial attack during severe burning conditions.

Four hundred eighty-five EFFs, or extra firefighters, were hired in 2014 for training purposes or in support of fire operations. This included the initial EFFs hired at the start of the season and the additional training camps held in various communities to bring more EFFs on board to cope with the length and severity of the season.

Four hundred sixty-eight type 1 wildland firefighting personnel were imported from outside the NWT under the Mutual Aid Resources Sharing Agreement. These imports consisted of crews, aircraft and overhead resources. These crews were composed of eight Canadian provinces and the State of Alaska.

In addition, nine incident management teams consisting of five to 15 people were necessary to coordinate the fire response. There were five from Ontario, two from Alberta, one from British Columbia and one from Nova Scotia/New Brunswick.

Several single resources were also imported to assist with the heavy workload. These included planning specialists, fire behavior specialists, warehouse personnel, two community protection specialist teams and five air attack officers.

Training for the 2014 fire season included seasonal refresher training of type 1 crews, S-100 basic firefighter training, fire line leadership, fuel system training, and fire reporting training for fire clerks, warehouse staff and duty officers as required.

As Members are aware, this was a particularly challenging season for fire crews. The NWT experienced long-term above average seasonal conditions including above average seasonal temperatures and below average precipitation. This resulted in extreme drought conditions that lasted much of the 2014 wildland fire season.

Given the extreme conditions, limited resources and large complex fires, Mr. Speaker, I would consider this a successful fire season in that there was no loss of life, no significant injuries and no significant damage done to any community.

As well as 3.4 million hectares of our northern forests affected, there were, unfortunately, some structural losses, Mr. Speaker. In early July a home on the Hoarfrost River was lost due to fire. High winds and extreme fire conditions caused the fire to switch directions and destroy a home and some outbuildings on the Hoarfrost River.

Again, during the weekend of August 16<sup>th</sup>, strong southwest winds and explosive fire behavior conditions caused a fire to jump Moraine Bay and resulted in the loss of the Moraine Point Lodge on the west side of Great Slave Lake. While the Moraine Point Lodge and outbuildings were lost, the fire did not reach the commercial fish processing plant on Moraine Bay.

While the above losses were significant, we must not overlook the effects and losses traditional harvesters are bearing from this past season: approximately 15 cabins including a community complex at Lake 690 north of Fort Providence, and trapping areas removed from use for five to seven years while the land recovers. Our government expects to assist a number of harvesters under our Harvesters' Fire Damage Assistance Program.

Fires of note in 2014 include the Kakisa complex, which began in late May. This fire was very difficult to contain and spread to 100,000 hectares. The fire caused the voluntary evacuation of the community in July and help from several crews from Alberta, NWT, Saskatchewan, Yukon and Ontario managing this complex over a two-month period.

Due to the community's significant work FireSmarting around Kakisa and the commendable efforts of the firefighters and air tankers, there were no structural losses and residents were able to return to their community with little to no damage.

The Birch Lake complex, composed of over six fires between Behchoko and Fort Providence, resulted in periodic closure of Highway No. 3 mainly due to extreme smoke conditions. Most of the work on this fire consisted of the construction of dozer guards on the south side of the fire to restrict growth towards Fort Providence and the Forest Management Agreement areas. Four different incident management teams from the NWT and Ontario managed this complex over a two-month period. The Birch Lake complex is estimated to be 650,000 hectares in size.

The Reid Lake complex started from a fire in the Consolation Lake area. The fire was first actioned by fire crews to protect values in the area. It eventually threatened values in the Highway No. 4 Ingraham Trail area and caused the closure of the Reid Lake Territorial Park for a few weeks while crews were stationed at the campground. Incident management teams from Ontario, Nova Scotia and the NWT managed the complex over a six-week period from mid-June through to the end of July. The fire is 365,000 hectares in size.

ZF-085, the fire that was approximately 30 kilometres from Yellowknife and seven kilometres from Highway No. 3, caused the voluntary evacuation of residents along the Yellowknife Highway and a number of public safety updates. The fire burned approximately 15,000 hectares.

Mr. Speaker, over the coming months, ENR will be engaging stakeholders to determine stakeholder values and priorities. FireSmart and value protection is part of our annual comprehensive review. The department will also administer applications for compensation to renewable resource harvesters with re-establishing their livelihood under the Harvesters' Fire Damage Assistance Program for possible replacement of lost cabins or for clearing trails affected by wildfires.

The department conducts maintenance activities for air tanker and fire bases, fixed detection sites, fuel systems, the lightning detection network, the automatic fire weather station network and radio communications.

Environment and Natural Resources also completed construction of the Enterprise fixed detection tower which will be operational in the summer of 2015.

Under normal seasonal fall weather, cooler and wetter conditions would wet the deeper forest layers and reset drought values. Without sufficient fall rain as well as significant over-winter precipitations, drought conditions may persist into the 2015 fire season.

I would also like to take this opportunity to extend a heartfelt thank you to the men and women from the Northwest Territories, across Canada and Alaska who fought fires on the ground and in the air this summer. They worked tirelessly to protect us, our homes, our communities and our values during the toughest fire season on record. They faced intense, often grueling conditions, and I am very proud of the professionalism and courage they displayed in our time of need. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Menicoche.

#### Members' Statements

# MEMBER'S STATEMENT ON PRAIRIE CREEK MINE REMEDIATION SECURITIES

MR. MENICOCHE: Thank you very much, Mr. Speaker. My colleagues here today have worked hard in organizing a theme day, but it's important for me to respond to issues raised in this House about securities to the Minister of Lands in respect to Canadian Zinc's Prairie Creek Mine.

It is important that our government ensure that adequate security for reclamation is in place before the proposed mine starts its activities. These securities are important to protect the health and safety of our public and the environment. Securities are important tools for government to address potential for environmental damage. At the same time, sustainable land use can support strong and responsible economic development in the territory. It can bring new employment and resources that will have real benefits for all residents of the Northwest Territories.

The proposed Prairie Creek Mine has been subject to the rigorous regulatory environmental assessment process under the Mackenzie Valley Resource Management Act. Aboriginal governments, regulatory authorities, government departments and the general public participated in the review of the proposed mine. Those views and concerns were considered by the independent board before approving the project.

Canadian Zinc requested the Mackenzie Valley Land and Water Board adjust the timing schedule for the posting of security under its operating permit to reflect the actual timing of construction activities and planned mining operations. Indeed, Mr. Speaker, Canadian Zinc has committed that they won't start development authorized by operating permits until this security is in place. It's important to point out that Canadian Zinc Mines is not requesting any change to the total amount of security and it's not disputing the security amount.

The Prairie Creek Mine will be an important source of new jobs and wealth for people in my riding and bring new economic activity that will benefit the residents of Nahendeh through infrastructure initiatives and spin-off activities. These activities will

not just be limited to Nahendeh but will also benefit the whole of the Northwest Territories as new resource royalties will support strong economic development for our territory, help diversify our population and strengthen our economic future. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Member for Sahtu, Mr. Yakeleya.

# MEMBER'S STATEMENT ON RELIEF FROM RISING HOMEOWNERSHIP AND HOUSEHOLD COSTS

MR. YAKELEYA: Mahsi, Mr. Speaker. Money ain't for nothing, cheques for free. That's according to Dire Straits. Whether it be those lyrics or the band's name, Mr. Speaker, we're all, indeed, in dire straits across the Northwest Territories when it comes to the cost of living.

All the great minds in the world should be able to come to the conclusion of why is the cost of living in the Northwest Territories so high. Some of the question my constituents are asking: When will we catch a break? When will the middleclass or the elders catch a break?

Well, Mr. Speaker, when one of the Members is planning to visit the Sahtu, here's some of the food prices we pay. In Fort Good Hope two litres of milk costs \$5.49, and it's a little more in Tulita at \$5.99, and in Norman Wells it's \$6.59. If you're going to shop in Deline, a dozen eggs will cost you a little more than the Independent store at \$3.99 a dozen in Yellowknife. If you're going to go in the bush, you want some bannock. If you get a can of Klik, that will cost you \$5.49. Right there you can see putting meat on the table in the Sahtu costs you a few more dollars than in the capital of Yellowknife.

What if you decide to live off the land and be a trapper? Well, it's not an easy life, Mr. Speaker, but it's a good life, especially when you have to go on the land and pay for gas, like in Colville Lake at \$2.99 a litre. Perhaps we'll see more people going back to the dog teams.

But there's a catch. The barge didn't make it up the Mackenzie, so food and other goods will have to be flown into the region, and further down the valley, extra costs will fall on consumers when they fly it in.

My colleague from Hay River, Mr. Bouchard, raised a good point about dredging the Hay River. Why aren't we seeing NTCL barges bringing goods and supplies down the Mackenzie River in the spring when the river is running high, instead of waiting until the fall when the levels are so low?

High gas prices, low oil prices and inflated costs and climate change are putting extra pressure on our household budgets. Half the household earnings are spent on keeping the house warm.

When will we in the North, especially in the small communities, get a break?

I'll have questions for the Minister. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Member for Weledeh, Mr. Bromley.

# MEMBER'S STATEMENT ON SUSTAINABLE AND RENEWABLE ENERGY INFRASTRUCTURE SUBSIDIES

MR. BROMLEY: Thank you, Mr. Speaker. Residents of the North are clearly burdened with astronomical costs: power, heat, food, and gas for cars, ATVs and snowmobiles, transportation to other communities. Nearly everything costs significantly more here than elsewhere in Canada and the world. For many this burden is manageable. They make a good wage, often two in the same family. However, this is not the case for everyone, and a significant number of Northerners struggle to make ends meet, often losing the battle. Our social service and income support statistics bear this out.

Government has gotten into the habit of responding with millions of dollars in subsidies, particularly in the area of power generation. While attractive politically in the short term, subsidies have not addressed the underlying systemic problems yielding ever-rising costs and causing the true costs associated with diesel power generation to be hidden.

For us, this has meant ever-larger debts and requests to big daddy to increase our borrowing limits. Key funds desperately needed for services are vaporized with ever-more-expensive fossil fuels for electricity generation or heating or food.

Environmental and social costs mount both directly and indirectly. We must stop this policy of failure and begin moving towards an economically and environmentally sustainable model.

From now on, if any new energy subsidies are contemplated, they must be matched by an equal and rigorously justified investment in renewable energy infrastructure for heat and power. In addition, we need to begin a schedule and steady replacement of current subsidies with the provision of energy infrastructure that stabilizes and reduces costs and that through its implementation provides local and lasting jobs in every community.

A concerted and focused policy is essential to address our costly, damaging and undermining reliance on diesel. This shift will pay dividends in cleaner energy, reduced costs across our economic sectors, a reduced cost of living and many new long-term jobs, jobs that will have positive effects on every community at every level.

But what's required, Mr. Speaker? A key feature of this approach, however, must be community participation that accrues benefits to communities. To achieve this, we must invest in community-owned distributed energy systems or energy systems...

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

--- Unanimous consent granted

MR. BROMLEY: Thank you. A key feature of this approach must be community participation that accrues benefits to communities. To achieve this, we must invest in community-owned energy systems if we want to build local economies, address cost of living and restore the environment. The time for a serious renewable commitment has come. If not now, when? If not us, who? Mahsi.

MR. SPEAKER: Thank you, Mr. Bromley. The Member for Inuvik Boot Lake, Mr. Moses.

# MEMBER'S STATEMENT ON POWER SUBSIDIES FOR HOMEOWNERS AND SMALL BUSINESS OWNERS

MR. MOSES: Thank you, Mr. Speaker. We all know there's a high cost of living here in the Northwest Territories, and the further north you get and the more isolated you get in the communities, those prices go up. The high cost of living in Inuvik is causing many hardships that I have never seen before or that residents of Inuvik have never seen before.

Last week we heard in the House that even though the price of oil has dropped throughout the world, we don't see that reflected here in the Northwest Territories, specifically for home heating fuel. Why isn't this regulated? Why don't we get people bringing the fuel up to the Northwest Territories, buying it at a cheaper cost? We know that they have to pay to get the fuel up here, but yet we don't regulate at what cost they're buying it at.

This government also subsidizes the heating fuel for public housing, and from 2010-11, when this government subsidized heating fuel in public housing at the cost of about \$6.5 million, and then just recently in this fiscal year, just over \$9 million. More recently, we just heard an announcement from this government that we're subsidizing the Northwest Territories Power Corporation to the tune of \$20 million. I ask this government, what about the homeowner? What about the small business operator? What about those people trying to make a living who are contributing to the economy?

From 2011 when the cost of fuel was \$1.24 to \$1.70 just recently in Inuvik that the homeowner has to pay, this is causing hardships on our people, on our residents and people who have made Inuvik home their whole lives. With the high cost of heating oil, then you add in the high cost of power, you add in there the most recent increase to property tax to residents of Inuvik, and it's causing

many hardships, as I've said, in the community of Inuvik. It's causing some people to go on income assistance. Not only that, we're seeing a lot of foreclosures on homes in Inuvik. We're also seeing a lot of homes that are going up for sale. This high cost of fuel and high cost of living in Inuvik is putting even double-income families at risk.

I will have questions today. We're subsidizing the Power Corp, we're subsidizing public housing units, why not the homeowner? Why not the people that do contribute to the community and the people that have called Inuvik home their whole lives?

I'll have questions for the Minister of Finance later today. Thank you.

**MR. SPEAKER:** Thank you, Mr. Moses. The Member for Frame Lake, Ms. Bisaro.

# MEMBER'S STATEMENT ON SOLUTIONS TO THE HIGH COST OF LIVING

MS. BISARO: Thank you, Mr. Speaker. We're talking a lot about the cost of living today. So what makes up Northerners' cost of living? Well, food, water, vehicles and the gas to put in it, lodging, taxes, power, heat, phone, insurance, clothing, entertainment, TV, Internet; it's a long list. But what can we do about our costs? Some are easily controlled; others, not so much.

I have some suggestions about what we can do. We can increase the Seniors Home Heating Fuel Subsidy. It hasn't seen an increase in four years, yet we all know the cost of fuel has gone up every year. We can apply concerted pressure to the federal government to increase the basic northern residents tax deduction, which would increase our residents' tax refunds. We must increase the number of low-cost or public housing units for lowincome wage earners. We can apply concerted pressure again to the federal government to change the Nutrition North Program so it's more effective for NWT residents and really actually does reduce food costs. We can make changes to our taxation regime for agriculture land, lower the mill rate to encourage farming and increase our local food supply, in effect eliminating or reducing our reliance on imported foods. We can put more money and support into community garden programs for the same reasons. We can provide training to residents to develop sustainable local food programs, another way to lower food costs. We can bring back the Community Freezer Program for storage of country foods to feed the community; more lower food costs. We can put a greater focus, or we can start a campaign for healthy foods, provide incentives for residents to buy healthy, natural foods instead of processed food stuffs. We can increase meal programs in schools. Children will be healthier and food costs for families will be reduced.

Then there is power, Mr. Speaker. That is a big cost and a big problem. This government has spent millions exploring power generation and transmission, both concepts now to be abandoned. Instead of spending those millions, we should have been investing far more heavily in alternative energies, for example, and the technology exists, so why do we not have any community biomass power or heating systems in place yet? Where is the NTPC conservation campaign that we heard so much about, the one that will help us reduce our power bills?

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

---Unanimous consent granted

**MS. BISARO:** Many of the things I have mentioned are small things, but either on their own or added together they can contribute to a lower cost of living.

This government has danced around the issue of lowering our cost of living without any in-depth engagement on it. We have thrown subsidies at it, instead of taking action to make inroads in how we live our lives. It's time we changed our thinking or our plans or we will subsidize ourselves into debt. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Bisaro. Member for Yellowknife Centre, Mr. Hawkins.

# MEMBER'S STATEMENT ON NORTHERN RESIDENTS TAX DEDUCTION

MR. HAWKINS: Thank you, Mr. Speaker. Today I rise with the opportunity to talk about the cost of living as well. What's important to say is I remember the days when people talked about families with one paycheque. I can't remember how long ago that was. Any family with one paycheque must be an amazing money manager to this day. Because I will tell you, nowadays two paycheque families are having a tough go at it just getting through their day to day.

As always, I want to give thanks to my favorite champions out there in the government, that's called the Bureau of Stats, because they have provided me these facts that I will remind the government of. So I can say that in 2014, August that has just passed, 22,200 were employed. Out of almost 32,000 residents that would be normally working, that is still a terrible number. But what is ironic about this is about a 1,500 dip from 2013. My colleague Ms. Bisaro just pointed on the area that I really wanted to narrow in on, the northern residents tax deduction.

You can have all the tax breaks in the world, they can give you anything they want, but the fact is they are useless if you don't make any money. All tax breaks do is just make people feel good, but if you

don't have a paycheque, you have nothing to deduct it against.

It has been years since the federal government even acknowledged our northern tax deduction under a residency issue and they bumped it up ever so slightly. As it stands today, it is approximately \$16.50 per person per day. That goes down a complicated taxation line which I will stay out of, but the fact is the person can claim up to \$6,222 a year. Again, that's only useful as a deduction if you have a paycheque. Again, families with a single paycheque, how they do it, I don't know. Two family paycheques are struggling through.

What is time, and certainly necessary in this particular occasion, is that our Premier should be furious about how low it is. It has not kept pace with the cost of living, it has not been indexed in any way, and at this point it is more of an annoyance to fill out on your tax form than it certainly is seen as a benefit.

I encourage our Premier to start getting a little fury and fight back on this stuff. Now he should probably be joining arms with our sister territories and fighting Ottawa about this broken system. An everyday family needs a break, not to be broken the way it is being treated through this cost of living process.

I look forward to the Premier finally doing something on this very important issue. Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Member for Deh Cho, Mr. Nadli.

# MEMBER'S STATEMENT ON ADDRESSING BASIC NEEDS IN SMALL COMMUNITIES

MR. NADLI: Thank you, Mr. Speaker. Today our communities are struggling and challenged with the cost of living. Cost of living regarding the basic needs of food, shelter and, for the most part, is demoralizing in terms of the price. It saps people's pride and longing for independence. The price of basics such as meat, fish, chicken, vegetables and fruits are way high. The goods are packaged and processed down south and either trucked or flown to communities. If you are fortunate and are one of 50 percent of the people that work in communities, you can buy groceries locally. If you live in public housing, you are charged your rent to the amount of \$70 per month or, if you work, 30 percent of your wages. It is not surprising that in smaller communities people are more inclined to supplement their livelihood by hunting, fishing or trapping, but, of course, if you have a skidoo, boat and the necessary equipment to go out on the land.

As the sun sets in the communities, elders, youth and the unemployed are grateful to have lived through another day in the community, and they put their faith and hope that this government will finally do something about the cost of living.

**MR. SPEAKER:** Thank you, Mr. Nadli. The Member for Hay River North, Mr. Bouchard.

# MEMBER'S STATEMENT ON CREATIVE SOLUTIONS TO ADDRESS HIGH ENERGY COSTS

MR. BOUCHARD: Thank you, Mr. Speaker. Next week we will be having the Energy Charrette. The charrette is meant to look at the cost of power and costs of energy in the Northwest Territories, probably one of the biggest costs that most of our constituents currently have. The government is touting this as the opportunity for us to look at all the solutions for the cost of living, but I'm very concerned.

We had an Energy Charrette a couple of years ago, with limited successes. We talked about a power supply system that would link all our grids together, which we know is now ineffective cost-wise, as well as the lack of our borrowing limit. The other issue such as gas prices is always on the constituents' minds, and one of those factors is our gas taxes. Last week I was asking questions about the reduction of that tax. We should be looking at that type of stuff.

The other area a couple of the Members have talked about in studying taxation is northern residency limiting from the federal government. We know that this has not changed very much. We see in the south where they allow cross-border shopping to increase the volume so that the people down there can live cheaper. What have Northerners had for a tax increase from the federal government? Very little.

Obviously, in this Energy Charrette I hope we're talking about conservation as well. We need to learn to do more with less. We need to figure out the way that our costs of living are high. A lot of the discussions lately have been about these small houses. What are we doing with them? What's the potential for that? I have several constituents that are talking about trying to be off the grid as much as they can. We obviously know in the Hay River area there are a lot of people involved in agriculture, trying to replace foods that they're purchasing currently at the grocery store and reducing those costs.

We need to work at this problem at several different angles.

**MR. SPEAKER:** Thank you, Mr. Bouchard. The Member for Range Lake, Mr. Dolynny.

# MEMBER'S STATEMENT ON GROUND-COUPLED HEAT EXCHANGE ENERGY PRODUCTION

MR. DOLYNNY: Thank you, Mr. Speaker. For the most part, when people think about the cost of living, they gravitate to the high price of energy they pay. This would be a normal reaction given that we in the NWT face some of the highest energy costs in the modern world. Admittedly, when asked how to fix this, I'm sure many would point to such alternatives as wind and solar as a way to wean ourselves off fossil fuel.

These alternatives do have merit on displacing carbon emission by lowering diesel consumption, yet from an economic or commercial viability perspective, you would be lucky to recover your capital costs within 15 to 20 years, and by then you're almost at the point of replacement, so the vicious cycle repeats itself.

To be clear, I'm not saying we shouldn't make some strategic investments in alternative energies as part of our Energy Strategy, and I am supportive of decreasing our diesel use and carbon emission, but we need to realize that with such a costly capital investment, we are no further ahead of lowering our cost of energy to the consumer, and this needs to be our target.

What is the answer? Well, if you want to wait, as Cabinet suggests, for next month's costly Energy Charrette and for their report and then a committee report to that and then a Cabinet strategy and then, finally, an action plan, you'll soon realize that the life of the 17<sup>th</sup> Assembly will have expired, which is very convenient. Or we can immediately or economically unlock the power within. But before I give you one solution, which is staring us in the face, let's ask some questions.

How do we better harness our own production and storage of energy? How well do we manage and produce our own diesel power? Finally, how much unused energy goes up the stovepipe at our diesel power plants? Mr. Speaker, if I have you curious, this continues down the rabbit hole.

After doing a forensic look at more than the \$300 million worth of NTPC infrastructure, its production, its capacity and its geolocation, there was one conclusion that emerged that will lower our energy production at the source: recapture unused energy and economically lower our cost of energy in non-hydro communities, and ultimately have a trickle effect for all Northerners.

The solution: The earth is a battery of heat storage potential.

 $\mbox{Mr.}$  Speaker, I seek unanimous consent to conclude my statement.

---Unanimous consent granted

MR. DOLYNNY: What this means is we have the capacity to recapture NTPC diesel-produced stovepipe heat, dissipate this heat into the ground, store it in earth tubes and reverse the energy in the winter months via utilidor exchange to heat homes and buildings. This process has many names, such as ground-coupled heat exchange or air-to-soil exchange, yet the principles of these processes all produce the same effect, which is to offer viable and economic alternatives in conjunction with lower diesel consumption.

With the government clearly out of ideas as we embark on yet another Energy Charrette, many Northerners hope this is just not another attempt to shelve at nothingness. We need economic and viable options for energy cost today, and we need real solutions we can all afford. Let's hope the Cabinet is listening. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dolynny. Member for Hay River South, Mrs. Groenewegen.

# MEMBER'S STATEMENT ON CONTROLLING THE HIGH COST OF LIVING

MRS. GROENEWEGEN: Thank you, Mr. Speaker. No one who lives in the Northwest Territories would deny that the cost of living in the Northwest Territories is something that we need to concern ourselves with and where the government should be investing wisely and prudently to help the overall mitigation of that cost of living.

I think, as a government, we've talked about all the many subsidies that we contribute to try to help people with the cost of living, but I think we need to look for ways to empower people to make choices to control, as much as they can, their cost of living as well.

I know maybe this is a broken record, but I had proposed in this House a number of years ago that our government could be doing more to empower people with choices. People feel trapped. That's the problem, is that people feel trapped in the utilities and the heating and the cost of all the day-to-day things that Ms. Bisaro listed off. Many of those do come with personal choices, as well, and sometimes I think, if I may say, we also need to manage our expectations a little bit as well. Sometimes people do not attempt to live within their means.

Mr. Speaker, my clock is running out. I can't believe that was two and a half minutes, was it? It must have been set wrong. Was it? Okay, I'll seek unanimous consent to conclude my statement, but I feel like I just started talking. Thank you.

---Unanimous consent granted

MRS. GROENEWEGEN: I'm going to go back and check Hansard and see how many words I actually got in in that two and a half minutes.

People need to manage their expectations. We need to empower people to give them choices and options of how they can control their cost of living. People also need to take personal responsibility.

You know, I'm probably not going to be the most popular MLA in the Northwest Territories for saying this right now, but when we talk about the cost of living in all these communities, wouldn't it be an interesting exercise to see in every community of the Northwest Territories how much people have to spend on cigarettes, alcohol, drugs and gambling. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Member for Mackenzie Delta, Mr. Blake.

# MEMBER'S STATEMENT ON LOWERING THE COST OF LIVING IN THE MACKENZIE DELTA

**MR. BLAKE:** Thank you, Mr. Speaker. I represent one of the second-most-expensive ridings in the Northwest Territories, next to yourself that is.

My constituents pay the most in this territory for home heating fuel, diesel and gasoline. Diesel in Tsiigehtchic, for example, is \$2.05 per litre, which is subsidized, by the way. Gasoline is \$1.92 per litre.

We're actually lucky because the price went down by 12 cents. So you can imagine how much our people are paying up in the Beaufort-Delta and Mackenzie Delta.

Groceries are another thing that's the most expensive. For one litre of milk in Tsiigehtchic, we pay \$7.99. For 10 kilograms of flour, \$39.99, and that's the three communities I represent. Eggs, \$6.99 for a dozen. Bacon is anywhere from \$8.99 to \$26 depending on what type we get. With an employment rate of 35 percent, you can tell how our people are struggling in the northern communities.

One of our priorities is to lower the cost of living. This is something that we really need to focus on within our last year here as the 17<sup>th</sup> Legislative Assembly.

I look forward to what the government has in store and I'll have questions later for the Minister. Thank you.

**MR. SPEAKER:** Thank you, Mr. Blake. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Ms. Bisaro.

# Recognition of Visitors in the Gallery

**MS. BISARO:** Thank you, Mr. Speaker. I don't often get a chance to recognize my one hardworking staff, my constituency assistant, Ms. Amanda Mallon, and it's a really special day for her. Not quite as special as Mrs. Groenewegen assistant's day, but happy birthday, Amanda.

---Applause

**MR. SPEAKER:** Thank you, Ms. Bisaro. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Speaker. I'd like to introduce to you and through you a resident of Range Lake sitting with us today here, Mr. David Wasylciw. Mr. Wasylciw just launched a brand new resource website today called openNWT.ca. Congratulations, David.

---Applause

**MR. SPEAKER:** Thank you, Mr. Dolynny. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Speaker. I'd also like to recognize a couple of hardworking constituency assistants, both of whom are residents of Weledeh. Of course my CA, Bob Wilson, a long-time businessman and involved in many aspects of the community with the city and so on. Also, Amanda Mallon, another Weledeh resident involved in many aspects of our community in the NWT. A big welcome to David Wasylciw as well. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Bromley. Thank you for taking in our proceedings here today. Welcome to the House.

Item 6, acknowledgements. Item 7, oral questions. The Member for Mackenzie Delta, Mr. Blake.

#### **Oral Questions**

# QUESTION 451-17(5): GNWT COST OF LIVING PROGRAMS

**MR. BLAKE:** Thank you, Mr. Speaker. I'd like to ask the Premier, the honourable Mr. McLeod, some questions on the cost of living.

What is this government's plan as we move forward to lower the cost of living in the Northwest Territories? Thank you.

**MR. SPEAKER:** Thank you, Mr. Blake. The honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. This government is doing a tremendous amount to reduce the cost of living. We subsidize the cost of living to the tune of about \$200 million a year. We are organizing an Energy Charrette to give more personal responsibility to the people so that they can become more independent through energy generation, and we are also investing in infrastructure as we find that's the best way to reduce the cost of living. Thank you.

**MR. BLAKE:** As I mentioned in my statement, we pay the highest costs for fuel, diesel and gasoline in our region.

I'd like to ask the Premier, is that because we're trucking this into our territory? Would it be cheaper

if we were to barge this into our territory? Thank you.

HON. BOB MCLEOD: Of course, it would be cheapest to barge or buy it on the offshore and bring it in by tanker and deliver it by barge to the communities. Obviously, if you truck, the more times you handle the molecules, the more expensive it is. We also, in a large part of the communities, can only bring it in once a year. Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. Mr. Menicoche.

# QUESTION 452-17(5): FUEL PRICES IN SMALL COMMUNITIES

**MR. MENICOCHE:** Thank you very much, Mr. Speaker. I think last week, or the week before, I was raising questions with the Premier, but I would like to ask the Minister of Transportation about the cost of delivering fuel.

There is a global oil glut in the world and it's reducing gas prices across Canada. Why aren't those gas prices being reduced in the Northwest Territories? Thank you.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Minister of Industry, Tourism and Investment, Mr. Ramsay. Oh sorry, Minister of Transportation, Mr. Beaulieu.

HON. TOM BEAULIEU: Thank you, Mr. Speaker. Actually, under the Department of Public Works and Services we have a petroleum products division. That division is created with a Petroleum Products Revolving Fund. We have a certain amount of money that we use to buy fuel in communities where it is not feasible for anybody else to go into the community to sell fuel. We take communities in this Member's riding, like Jean Marie, Nahanni, Wrigley and Trout, and in those communities no other supplier wishes to go in there and supply fuel because it's not feasible. We are bringing it in at cost and the cost to distribute and that is it. We can charge anywhere from 95 percent of what it costs us to 105 percent, but we try to be at 100 percent as much as possible. Thank you.

**MR. MENICOCHE:** When it comes to the cost of living, the purchase of fuel is very important for the small communities. The fuel is delivered once a year. They use it for hunting and trapping, they have to use it to heat their homes, especially in the wintertime, and these are fixed costs.

I'm asking the Minister: Will this government consider some kind of special subsidy, because the local prices are falling, they are almost down to \$1.04 in Alberta and I know that eventually it will hit Yellowknife and our smaller communities that they will be reducing the costs. I would like to know, people in the small communities are trapped and once the gas prices and fuel prices start declining,

can this government do something to help our people? Thank you.

HON. TOM BEAULIEU: The revolving fund that I spoke of is a fund that is put out by the government. It is, again, intended to provide fuel to communities that otherwise would not be able to have any fuel delivered into the community. Within that revolving fund there is no ability for this department or the petroleum division to subsidize any of the communities that they deliver the fuel to. Thank you.

**MR. MENICOCHE:** The next logical question is, actually, why not? Why can't we subsidize these people? The people in small communities deserve to be considered for the fuel prices being fixed and there must be a way to change it. Thank you.

HON. TOM BEAULIEU: The reason is because we have the revolving fund and that if we were to subsidize one community, we would have to actually take if from another community. For the most part, as I indicated, each of the communities we try to come in at 100 percent of the actual costs for us to deliver that product to a home. In some communities, the smaller communities we have tried to go below 100 percent cost, and in fact, where the subsidy is not picked up by anyone else, like some of the larger communities, at 100 percent will allow us to bring some of the higher cost fuel prices down, but not lower than 95 percent of the cost. Thank you.

**MR. SPEAKER:** Thank you, Mr. Beaulieu. Final, short supplementary, Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Speaker. Robbing Peter to pay Paul I think is what the Minister said, but I don't think that that's the kind of solution that the government should provide to the people in the smaller communities.

I'd like to ask the Minister one more time: We just saw government write off \$20 million for electrical power rate. Why can he not write off some of that money for the smaller communities that have fixed and locked-in prices?

HON. TOM BEAULIEU: If we were to change the Petroleum Products Revolving Fund, we would have to come back to the House. This is a fund that's approved in the House to be able to subsidize or actually deliver fuel to communities where no other individual or private enterprise wishes to venture into. We, as a government, look forward to any community or any organization or industry that wishes to take over delivering fuel. We do it because communities need to have fuel; communities need to have gas. We do it, and we do it at cost.

Like I said, there's a little bit of flexibility there, but beyond that there is no flexibility in this fund. If we were to build subsidies into the particular fund, then we would have to return to the House to request that that be something that we put into the fund.

**MR. SPEAKER:** Thank you, Mr. Beaulieu. The Member for Sahtu, Mr. Yakeleya.

# QUESTION 453-17(5): INCOME SUPPORT PROGRAMS TO ADDRESS ECONOMIC SLOWDOWNS

MR. YAKELEYA: Thank you, Mr. Speaker. It's not all doom and gloom in the Sahtu, but some people are struggling. Whether a young family in Deline, an elder in Colville Lake or a single mother in Fort Good Hope, people are having to pay more to put food on the table and more to warm their houses this winter.

Will the Minister of Education, Culture and Employment tell us about the increase of people relying on income assistance since the drop of oil prices has slowed the economy in the Sahtu?

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The Minister of Education, Culture and Employment, Mr. Lafferty.

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. We are fully aware of the high cost of living in the communities and the income support does reflect on that as well. ECE is working to enhance benefits for clothing, food and other incidental expenses to ensure that clients receive adequate benefits to meet their needs and that we are current with the high cost of living in the communities. We are currently spending upwards of \$16 million in income support alone, and there is also a seniors heating subsidy of \$1.8 million, and the list goes on. Those are the subsidies that we provide to the communities, and we also keep in mind the high cost of living as well.

**MR. YAKELEYA:** I know the honourable Minister doesn't set the oil prices, but it's having a huge impact. Let's shift our attention to the working poor or the single-income families.

Why would income support only grant one purchase order to a mother of twins when clearly she is trying to feed two children? Can the Minister of Education, Culture and Employment explain to this House how a front-line worker could deny the basic support for infants in these remote communities?

JACKSON LAFFERTY: With our programming there are upwards of 1,600 caseloads within the Northwest Territories and on average 3,300 people access income assistance. We're mindful of those individuals with dependents, especially if there are twins, even young twins. Those are some of the areas we closely monitor with client service officers. We need to have those individuals access our income support programming because it's there for them. We do continue to explore those areas and having a

program identified as part of education awareness on to the communities as well.

**MR. YAKELEYA:** Can the Minister of Education tell us what emergency measures are available for those who might be in between jobs or students without work? What can they do to ensure they have a roof over their heads this winter and dealing with the high cost of living?

HON. JACKSON LAFFERTY: It all depends on the individual. If they are younger than 19, then we have to work with the Department of Health and Social Services. But there are various programs within our income support area, whether it be early childhood or other departmental programs such as emergency measures when it comes to MACA or the Department of Health and Social Services or my Department of Education, Culture and Employment. It is an interagency responsibility and also working very closely with the community organizations that deal with those matters at the community level as well. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Final, short supplementary, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. Would the Minister of Education, Culture and Employment commit to this House that when he meets with his federal/provincial counterparts that the high cost of living in the Northwest Territories will be a priority item that he can discuss with the other provincial leaders as something that needs to have the full attention of Canada, to raise this issue to know that this issue here is important to people and Members of this House?

HON. JACKSON LAFFERTY: Mr. Speaker, that is exactly what's happening. I'm just one part of government that addresses this with my federal counterparts. My colleagues around the table here also stress the importance of the high cost of living. When it comes to remoteness in our jurisdiction, we're very remote with a high cost of living in our communities. At times federal Ministers and federal representatives are not fully aware of our situation. So it's always a learning curve when there are changes in the federal government, but it's a challenge that we always put at the table and we will continue to do so. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Mr. Bromley.

# QUESTION 454-17(5): CONSULTATION ON POWER SUBSIDY ANNOUNCEMENT

**MR. BROMLEY:** Thank you, Mr. Speaker. My questions are for Premier McLeod, following up on my statement from earlier today on related issues.

Recently, Cabinet announced that rather than pass on the true cost of power generated by diesel due to the hydro shortfall we are experiencing because of climate-change- induced drought in our hydrogenerating system, the government would provide a direct subsidy yet again, this time to the tune of \$20 million.

Public Works, of course, is replete with hundreds of examples of reducing energy costs through infrastructure with short payback periods.

Is there an equal commitment of \$20 million this government is making to provide energy infrastructure identified through rigorous evaluations to provide cheaper power? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Bromley. The honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. When we explained the rationale behind the \$20 million it was so our clients and every community in the Northwest Territories wouldn't have to pay an extra 13.7 percent increase in power for two years.

At the same time, we announced that we are holding an Energy Charrette on November  $3^{rd}$  and  $4^{th}$ . We're committed to investing millions of dollars so that we can look at alternative and renewable forms of energy and any ways that we can empower the clientele that use energy in the North so that they can find cheaper ways to generate power. Thank you, Mr. Speaker.

**MR. BROMLEY:** I appreciate the Premier's explanation of their thinking as far as they got.

Regular Members of this House, of course, were caught by surprise by the announcement of this Cabinet largesse, learning about it the way most citizens of the NWT did: through the media.

Were any members of responsible committees meaningfully consulted or consulted at all on this latest \$20 million subsidy Cabinet has come up with?

**HON. BOB MCLEOD:** We have a protocol that we developed amongst all of us in this Legislative Assembly and we conformed to the protocol measures. Thank you, Mr. Speaker.

MR. BROMLEY: Indeed we have, Mr. Speaker. We in this House all swore an oath to uphold the 10 principles of consensus government. Principle number five states, "Except under extraordinary circumstances, Members of the Legislative Assembly should be made aware of and have an opportunity to discuss significant announcements, changes, consultations or initiatives before they are released to the public or introduced in the Legislative Assembly. Use of the element of surprise is inconsistent with consensus government."

Is Cabinet aware of this guiding principle? Mahsi.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. We're well aware of it and we gave the Members notice. We told them that we would be coming

forward with some initiative in this area, and I believe we told them at least a week ahead of time. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final, short supplementary, Mr. Bromley.

MR. BROMLEY: I would ask the Premier to reread that principle for himself in some nice quiet time when he can fully comprehend it. Being constantly aware of the principles that we all swore an oath to and honouring the spirit of those principles – just to be sure the Premier heard the spirit of those principles – require the commitment of all Members of this House, the commitment of all Members of this House.

Is the government committed to conducting the business of this House in the spirit of the 10 guiding principles of consensus government? Mahsi.

HON. BOB MCLEOD: The Member seems to be opposed to the fact that we assisted all of the clientele that use energy to the tune of \$20 million and we're hearing people are leaving the North because of that, and I'm very prepared to adhere to the principles and I gather that the Member is as well. So, thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. The Member for Inuvik Boot Lake, Mr. Moses.

# QUESTION 455-17(5): POWER SUBSIDIES FOR HOMEOWNERS AND SMALL BUSINESS OPERATORS

MR. MOSES: Thank you, Mr. Speaker. We've heard some really good questions from Members on this side of the House today in terms of how we're trying to address the cost of living in the small communities and all communities across the NWT. We've also heard subsidies. Just in terms of heating fuel, this government over the last five years, including this fiscal year, has subsidized public housing units and affordable housing units to the tune of \$39 million in heating fuel alone. We have residents out there who pay market rent or who also own their own homes.

I'd like to ask the Minister of Finance, seeing as he does write off on these subsidies, if he's willing to look at subsidizing specifically homeowners on the high cost of fuel, heating fuel, as well as small business operators. Is he looking at creating some type of subsidy for these individuals who, as one other Minister stated last week, are the backbone of our economy? Thank you.

**MR. SPEAKER:** Thank you, Mr. Moses. The honourable Minister of Finance, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Over the last three years with Inuvik's troubles with their gas wells taking on water and the issue of using propane, between the Power Corp and the government, we've put in about \$8 million

to make sure we've tried to cushion the blow of the loss of the gas. We've switched the Power Corp initially to diesel; we switched our buildings back to diesel to make sure we freed up much cheaper gas to the people of Inuvik. On top of that we have a lot of programs for conservation, energy efficiencies, appliances, insulation, windows, which reduce your energy requirements. But as the Premier indicated, we're talking about it through the Energy Charrette and the focus on generation looking at spending tens upon tens of millions of dollars to assist communities to deal with generation issues. For example, in Inuvik we've been monitoring the wind at Storm Hills between Inuvik and Tuk, and we know that there's a capacity there that we could put in eight or nine megawatt wind generators that would cut reliance on diesel in Inuvik and probably Tuk by half. That's about a 30 to 40 million dollar price tag. Those are the kind of investments, rather than subsidies, that we think would be of much bigger benefit, would minimize our reliance on diesel, cut all those greenhouse gases and lower the cost to communities.

One of the challenges on the power side is that the residential rates are pegged to the Yellowknife rate. Unfortunately, the business rates are not. They pay the fully burdened cost. So that, as well, is an issue we have to look at as we look at rate structures across the Northwest Territories, especially when it comes to essential services like food. Thank you.

MR. MOSES: Thank you. We've had this discussion throughout the elected Assembly with the issue going on in Inuvik with the LNG fuel shortage, all those concerns brought up before. My question was specific to the homeowner and small business operator and that they can actually get subsidized, so at the end of the day they have a few dollars in their pocket so they can get the essential services, such as food, that the Minister mentioned in his response.

Once again I'd like to ask the Minister, is he looking at some type of subsidy for the homeowner so that at the end of the day they're not paying the full costs, as well as the small business operator who is paying the full cost? Is there a subsidy to them so that at the end of the day they have a few dollars in their pocket so they can get the essential services? The homeowner and the small business operator. Thank you.

HON. MICHAEL MILTENBERGER: As I indicated, we are looking at trying to minimize the reliance on diesel. We're looking at a whole host of ways to do that. So no, there is no subsidy for heating fuel being considered. If we did it we'd have to do it for every thermal community, we'd have to do it across the Northwest Territories. It would be tremendously expensive and at the end of the day I don't think it would do much over the long term to minimize

reliance and encourage people to look at other alternatives other than diesel. Thank you.

MR. MOSES: I understand that if you do it for all thermal communities that it would get to a high cost burden on government. However, this year alone, '14-15, we're subsidizing heating fuel for public housing, affordable housing units in the Northwest Territories to the tune of \$9 million. You add to that electrical power, water and sanitation, this year we're subsidizing all communities to the amount of \$25 million, almost \$26 million, and that's not even including any supplementary appropriations that we might see come before committee at some point. So, we're doing it right now for public housing units.

Why can't we do it for some communities to our homeowners who are paying high costs and having a hard time making it by? Why can't we do that? Thank you.

HON. MICHAEL MILTENBERGER: Thank you. That's part of the \$200 million that the Premier referenced that we're paying in subsidies, and if we're going to do that for every homeowner and every business in the Northwest Territories, then I would suggest that even the hydro community folks would be there demanding that they have to pay heating fuel as well. I think it would truly beggar this government and would be very counterproductive if we just subsidized the cost of fuel. There would be no incentive for business to drop the prices.

As the world price goes down, they know that whatever they charge we will pay. We're far better off, the people are far better off if you get off diesel, you put in pellets, you cut your energy costs, you do the things you need to do to get off this substance that's driving you bankrupt. So that's the issue that we're looking at as a government. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Final, short supplementary, Mr. Moses.

**MR. MOSES:** Thank you, Mr. Speaker. The Minister is correct in looking at alternative energy sources. A lot of those in past budgets, committee on this side had to do a lot of fighting to get some of those into the operating budgets.

We've got about 80 homes for sale in Inuvik. That means people are leaving and wanting to leave. They can't pay their heating bills or their power bills because it's too high. That's 80 homes. That's a lot of people leaving the community.

I'm not asking for a subsidy throughout the whole Northwest Territories. My Member's statement and my questions today are specific to Inuvik because of the high cost of living.

Would he look at the community of Inuvik and look at the homeowner and look at the small business operator, which is getting fewer and fewer every year, every month? Would he look just specifically at the community of Inuvik and see what he could do to help the homeowner and to help the small business operator? Thank you.

HON. MICHAEL MILTENBERGER: We, as a government, have mapped out our next steps, now that we know the transmission project is prohibitively expensive to look at generation in all the communities. That is the plan where we believe there is the ability to seriously affect the cost of living.

The Member would know, as a Member of this Legislative Assembly, while from Inuvik, to look at all the needs of people in the Northwest Territories, that it would not be possible just to look at Inuvik as a stand-alone community for some special subsidy when you listen to the cost of living in McPherson and Tsiigehtchic and Sachs and Paulatuk and Ulukhaktok and Aklavik that we could not in good conscience just look at Inuvik. We are back to the issue of what is the long-term benefit. Are we just enabling and are we better off to do the planning to get people off diesel rather than just keep subsidizing and putting more money in the pockets of the oil companies and the big energy companies? Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Ms. Bisaro.

# QUESTION 456-17(5): PUBLIC ACCESS TO AUTOMATED EXTERNAL DEFIBRILLATORS

**MS. BISARO:** Thank you, Mr. Speaker. I'm going to take a break from asking questions about the cost of living. My questions today are just for the Minister of Municipal and Community Affairs. I want to follow up to a motion passed in this House in March which referenced the need for AEDs and defibrillators in our public buildings.

I would like to thank the Minister for the response to the motion that was passed in March. The response by the Minister was tabled by the Minister on the 16<sup>th</sup> of October. In the response it references some of the work that has been done to date. I appreciate that we have done some work to date. There is a plan that is suggested in that response and one of the things that it mentions is it talks about a lot of partnerships, but one partnership is to partner with the federal government who has free money for us for AEDs.

I would like to first ask the Minister, what progress has been made by MACA to apply to Canada for funding available for AEDs for NWT public buildings? Thank you.

**MR. SPEAKER:** Thank you, Ms. Bisaro. Minister for Municipal and Community Affairs, Mr. McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. I'm not quite sure of the status of the application right now. I can tell the Member that we

have met with the NWT Fire Chiefs Association, the NWTAC and the Heart and Stroke Foundation to partner up to access this national application-based funding. So, we've started the work with them. We also started the project plan. We have initiated project plans, and stakeholders will be surveying all the communities to determine their needs. Thank you, Mr. Speaker.

**MS. BISARO:** Thanks to the Minister. As in the response that was tabled a couple of weeks ago, I hear a lot of the tense of the verbs is in the future. I would hope that we are going to be soon present tense and doing work as opposed to we will be doing work.

The federal program is a four-year program that started in 2013, so we are already one year in.

I would like to ask the Minister, in terms of the applications for money to get AEDs for free, are we going to make the deadline of the four-year program? Thank you.

HON. ROBERT MCLEOD: Mr. Speaker, I'm not quite sure of the status of the application. I will follow up with the department and provide a response to the Member. I did say we did meet with our partner organizations to start the application process. I'm not quite sure where that's at right now. I will find out and I will respond to the Member. Thank you, Mr. Speaker.

**MS. BISARO:** Thanks to the Minister. I do appreciate that there is work going on, I'm just a little nervous that in three years' time we are going to get to the end of the road of the federal money and we won't have anything in hand.

The Minister has mentioned twice now that he's working with partners and developing partnerships and so on. One of them is the Heart and Stroke Foundation.

I would like to ask the Minister if he's aware of an offer from the St. John Ambulance organization, who is offering to assist GNWT with the program, and if yes, has he contacted the St. John Ambulance? Thank you.

HON. ROBERT MCLEOD: We are partnering with the Heart and Stroke Foundation in trying to develop some of our curriculum through the School of Community Government as to training on the AEDs and the maintenance of them. As far as the St. John Ambulance, I'm not quite sure of that one in particular. Again, I will follow up.

Any partnership that we can form to help us train first responders or people in the communities on using these particular types of equipment would be more than welcome. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final, short supplementary, Ms. Bisaro.

**MS. BISARO:** Thanks, Mr. Speaker. Thanks to the Minister. I am happy to provide him with a copy of the letter. I will do that immediately after session.

I would like to ask the Minister, he is talking about doing a survey of communities for needs. I presume that means the number of public buildings and the number of AEDs that they would need.

Can he give me any idea of when we can expect the survey results so that we will know our needs and can get going on further applying for money? Thanks.

HON. ROBERT MCLEOD: [Microphone turned off] ...question number four is when. I will find out for the Member. We would like to start the work as soon as possible. There are other ways the community can access some money to pay for these through the money that we provide for them. There is also some money through the ground ambulance funding that we provide to get a particular type and model that's available to use in vehicles of first responders.

We started the work. The work is underway, and once we get the results of all the work and the survey, we will be sure to share that information with Members of the Legislative Assembly and members of the committee. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Member for Yellowknife Centre, Mr. Hawkins.

# QUESTION 457-17(5): NORTHERN RESIDENTS TAX DEDUCTION

**MR. HAWKINS:** Thank you, Mr. Speaker. My questions will be directed towards the Premier. In my Member's statement I talked about the northern residents tax deduction.

My question would be to the Premier as such, which is: When is the last time this government or any recent previous government has requested an increase to the northern tax deduction, and if there has been one in recent years, would he have anything to substantiate that so we could see what type of letter or correspondence on the particular issue has been done and certainly what work has been made on this particular issue that can help the working poor and certainly make a big difference in the everyday family's bottom line? Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. On January 1, 2008, the northern residents deduction was increased 10 percent, from \$5,475 to \$6,022.50, the first increase since 1991. Our government has been working with the governments of Nunavut and Yukon to look at requesting an increase in the northern resident deduction. Three territorial Finance Ministers

reviewed this, and on October 31, 2012, the Finance Ministers reported to the Northern Premiers' Forum and also outlined a possible work plan.

Their report noted that increasing the northern resident deduction would decrease personal income tax revenues for federal, territorial and some provincial governments. It would not benefit low-income families and would only benefit high-income northern taxpayers. In addition, we would require the support of six provinces whose northern residents also receive the northern resident deduction would need to be reconfirmed. At the time, we decided it was not in the best interest of our low-income families to pursue this. Thank you, Mr. Speaker.

MR. HAWKINS: Mr. Speaker, what analysis really is broken out of this low-income factor? The Premier is right; it's more than one jurisdiction. As a matter of fact, there is the A-base and there is the B-base, and the A-base, for sake of illustration, is the three territories. The B-base, which is a lesser tax deduction, affects places like northern Alberta, northern Saskatchewan and works its way across Canada. But with that illustration, we should be really asking ourselves, how do we encourage people to live here in the Northwest Territories, and by waving off those folks for whom this could make a difference is certainly staring down the situation in the wrong way.

What analysis do we really know? What type of impact? Would our government be prepared to do that type of analysis to find out would it still benefit all Northerners at large? If you don't have a paycheque, it doesn't matter what the tax deduction is. It's the working poor and those people trying to continue to find the North still attractive. That analysis is critical. I look forward to the Premier's answer on that particular effort. Thank you.

HON. BOB MCLEOD: The tax collection agreement between the Northwest Territories and Canada requires that both jurisdictions use the same definition of taxable income. A northern resident deduction increase would reduce federal and territorial personal income tax revenue. In our forensic review, the 2008 increase in the northern resident deduction raised the maximum deduction to \$6,022.50. At the highest combined federal and territorial tax rate of 43.5 percent, the \$547.50 increase would provide annual savings of \$235 for tax filers claiming the maximum \$6.022.50. The Government of the Northwest Territories' annual costs for this federal tax measure is about \$800,000 per year.

Undoubtedly, a northern resident deduction increase would provide an incentive for people to stay in the North, but we've looked at the numbers. Say we wanted to get the federal government to increase the northern resident deduction by \$700 a

year. Let's say we go from \$6,022.50 to \$6,728. The estimated cost to our government is \$720,000. Let's say we want to increase it even further from \$6,022.50 to \$8,500. It's going to cost our government an extra \$2.46 million a year.

MR. HAWKINS: I'm a little confused on the particular part about it actually particularly causing our government grief, if not financial, on the money on the bottom line. Maybe the Premier can illustrate why it actually costs us money when it's a federal tax credit. That's the area we should be arguing for. At the same time, this could be what starts to underpin successful growth in our territorial population, because right now we have very little.

The Premier, I think, said earlier today that we subsidize to the tune of \$190 million. In that range. I mean, the exact number is not so important at this second, but the point is that we're trying to find ways to grow our population. This is certainly one that would help those who can certainly make some money. Has the Premier considered that? We don't need the permission of the other six provinces. We need Ottawa's permission on this type of initiative.

HON. BOB MCLEOD: The reason it costs us money is it reduces the amount of personal income tax that we collect. For example, the 2008 increase, since the claimed amount must be the lesser of the maximum allowable of \$6,022.50 and 20 percent of net income, taxpayers with net income of less than \$30,115 will not benefit from a northern resident deduction increase.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final, short supplementary, Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Speaker. I appreciate the answer from the Premier. I mean, it certainly goes a long way of appreciating the complexity of this issue. The bottom line is, how are we putting more money in Northerners' pockets? It had been frozen at approximately \$5,400 for decades and finally migrated by 10 percent to just above \$6,000 in 2008. The bottom line is, how do we get money in Northerners' pockets, because we know more money in a family's pocket is really going out into the community to buy that Klik, my colleague from the Sahtu had said, whether it's buying gasoline for their skidoos, or buying their children presents and helping to pay that costly rent and stuff. It's initiatives like this the Government of the Northwest Territories can shelter the cost of it a little better by letting working people keep some of their working money.

Would the Premier re-examine it from that analysis, that if we can get more money in Northerners' pockets, no doubt they'll be spending it in our economy where it's exactly where we would be doing it anyway?

HON. BOB MCLEOD: That is our objective and we want to get more money in Northerners' pockets.

We're always being very vigilant in this area as well as looking in other areas such as reducing energy costs, so the Energy Charrette, we expect, will go a long ways to that end as well.

**MR. SPEAKER:** Thank you, Mr. McLeod. The Member for Deh Cho, Mr. Nadli.

# QUESTION 458-17(5): AGRICULTURAL PRODUCTION IN FORT PROVIDENCE

**MR. NADLI:** Mahsi, Mr. Speaker. I wanted to talk about a dream that I always had, and one day that dream will become a reality. That dream is the idea of a potato farm. We can make it happen. I'd like to pose a question to the Minister of Industry, Tourism and Investment.

I want to know how responsive the Minister and this Cabinet and this government is to people out in the communities, because when you travel into the communities, people know some of the solutions to the problems that we face and the challenges that we have to meet every day that we live in communities.

The potato, of course, people know of the history of the people that came up North, and they grew their own gardens. One of the durable products that I've come to know is the potato. We have the right soil. In Fort Providence it's a durable staple. Plus, at the same time, we're situated right in the hub of the transportation where we have the river system and we have the highway system. It wouldn't take much if there was an idea of planting an area of potatoes and building a processing facility to sell and market them and lessen the cost of living.

The question that I have is for the Minister of ITI. Does the Minister agree that this is a good idea and can be done and that this will probably curb the cost of goods in the North?

**MR. SPEAKER:** Thank you, Mr. Nadli. The Minister of Industry, Tourism and Investment, Mr. Ramsay.

HON. DAVID RAMSAY: Thank you, Mr. Speaker. We've made great strides when it comes to developing an agricultural industry here in the Northwest Territories. The Member has a good idea. I was with the Member recently this summer and we traveled down the river and there were farms historically near the community of Fort Providence. We'd certainly like to see some of that agricultural initiative renewed, and we have programs in place at ITI, working through our South Slave office, to support individuals in the Member's community that want to get involved with agriculture. We've seen success stories around the Northwest Territories when you look at communities like Norman Wells. Gameti recently. If you can get somebody in the community and identify a real

community leader to take on that initiative, that would be a good start.

Of course, we have the Northern Farm Training Institute that just recently received some federal funding, and hopefully some folks from Fort Providence can attend that training institute and bring those skills back to the community of Fort Providence.

**MR. NADLI:** I take that the Minister does, in fact, agree and support the idea of a potato farm.

With that, what is his department prepared to do to assist individuals or groups that want to grow products such as potatoes or even community gardens in their home community?

HON. DAVID RAMSAY: Yes, we do support the development of agriculture in the Member's riding and all ridings across the Northwest Territories. I'd encourage anybody from the Member's communities, if they are interested in pursuing initiatives, to contact us at our South Slave office in Hay River and we'd be more than happy to help them out.

**MR. NADLI:** Why can't we make this work? This is a very practical, doable idea, and what is stopping this Minister and this Cabinet and this government of addressing a very practical need in communities? These are ideas that come from people in the communities. They know. If it was a person from the average community, you would want to know. Why can't this be done now?

HON. DAVID RAMSAY: The success that we've seen in some other communities around the Northwest Territories has been initiated by a real community leader, somebody that is very interested in seeing that project advance. That's why, as I mention earlier, the Farm Training Institute is so important, so that people can go to Hay River, get some training, go back to their communities and be real community leaders when it comes to developing agriculture in the communities.

Again, I'd ask the Member, if he's got somebody in his community that is interested, we are here to help. We'd be more than happy to help community leaders and community members develop agriculture products in the communities to help offset the high cost of food in our communities.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Final, short supplementary, Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Speaker. I will give the Minister a last chance.

Does he agree and support the idea of a potato farm in Fort Providence? Yes or no.

**HON. DAVID RAMSAY:** I prefer my potatoes with mushrooms. Yes, if we can advance that idea, I would certainly support that idea.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Member for Range Lake, Mr. Dolynny.

# QUESTION 459-17(5): ENERGY CHARRETTE 2014 EXPECTATIONS AND OUTCOMES

MR. DOLYNNY: Thank you, Mr. Speaker. As we embark on what appears to be another fact-finding Energy Charrette, the second one in as little as two years, the residents of NWT are again waiting for real, affordable solutions to lower their energy costs. With the cost of living the hallmark of concern, many believe this Energy Charrette will be added to a long list of productions already archived on dusty shelves. With very little given to the public or Members as to its mandate, I will have questions today for the man of the hour, the Premier of the Northwest Territories.

As mentioned, we are about to embark on what is about to be our second Energy Charrette in less than two years. Can the Premier clearly articulate what is the specific mandate for this upcoming charrette? Thank you.

**MR. SPEAKER:** Thank you, Mr. Dolynny. Honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. As we've said several times, the Energy Charrette is to move us away from transmission to generation and dealing with the potential of having to live with low water going forward. So we expect to see the outcomes that will show us how to go forward in terms of empowering energy users, so that we can help find a way to become more independent in power generation and also to find cheaper ways of producing power. Thank you, Mr. Speaker.

**MR. DOLYNNY:** I appreciate the Premier's response. Can the Premier indicate what the budget is for holding this upcoming charrette?

**HON. BOB MCLEOD:** We are still in the process of finalizing attendance and we'll give him the proper accounting in due course. Thank you, Mr. Speaker.

**MR. DOLYNNY:** It does sound like we have a bit of a murky mandate from transmission to generation. I didn't quite clearly hear exactly what the intent is and we haven't really heard a budget, but I can tell you, Mr. Speaker, I believe the last charrette did cost taxpayers about \$100,000.

So, to be clear, can the Premier indicate if it's the intent of this charrette to look at long-term solutions or short-term solutions? Thank you, Mr. Speaker.

**HON. BOB MCLEOD:** We are looking at both, Mr. Speaker. Short-term, what can we do in terms of conservation and so-called low-hanging fruit and also the longer term approach to power generation. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final, short supplementary, Mr. Dolynny.

**MR. DOLYNNY:** Thank you, Mr. Speaker. Less than a year ago, this government tabled the report the Northwest Territories Energy Action Plan – I have it right here – a three-year action plan and long-term vision. Mr. Speaker, I can assume we have spent hundreds of thousands of dollars preparing this, which really was supposed to be the blueprint and the hallmark of our energy concerns.

Can the Premier indicate to the House what do we do with this piece of equipment now? Thank you, Mr. Speaker.

HON. BOB MCLEOD: That's still a very good and important document. We will spend the money that we've outlined in that document over the next three years and I think it will benefit us all. Thank you, Mr. Speaker.

**Mr. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Sahtu, Mr. Yakeleya.

# QUESTION 460-17(5): SOLUTIONS TO ADDRESS THE HIGH COST OF LIVING

MR. YAKELEYA: Thank you, Mr. Speaker. In listening to Members talk about their concerns and possible solutions to deal with the high cost of living in the Northwest Territories, are there any discussions the Premier has come across in doing a high cost of living charrette in the Northwest Territories to have people come together and look at ways that they could reduce the cost of living in their communities? Has there been any type of discussion like that that's so important to people in the small communities? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. We've been looking at finding ways to reduce the cost of living for a long time. There are no silver bullets in doing that. The biggest cost for the average homeowner or family is cost of energy, so we think an Energy Charrette will help us find a way to do exactly what the Member is suggesting. Thank you, Mr. Speaker.

MR. YAKELEYA: The Premier is right; there is no silver bullet. Energy seems to be one of the major factors, the high cost of food in our Northern Stores and the lack of employment. We have the resources. Infrastructure seems to be another factor in our smaller, remote communities. If we have one litre of milk here in Yellowknife, one litre of milk in Fort Good Hope or Colville Lake, why is there a difference between that and up in Ulukhaktok? What's the difference? Where does the price add onto that litre of milk? That is what the people are asking. Or do we just accept the fact that living in the Northwest Territories is costing us

a lot of money, to the point of \$2 million in subsidies and the fact that when you live further outside the regional centres, you are going to pay a higher price and that's the fact of the matter, Jack?

Energy is only one component. We have the energy in our communities. The sun doesn't shine all the time and sometimes there's no wind. We've been asking for wood pellets for a long, long time. There's still a bunch of barriers to get there. I want to look at some of the real matter-of-fact issues that are the bread and butter issues today, not 10 or 15 years from now.

**HON. BOB MCLEOD:** I think there's a country song called "The Cold Hard Facts of Life."

#### ---Laughter

I think when you compare Yellowknife to Deline or Ulukhaktok or any other community, it's obvious there's the cost of transportation, the fact that there's competition in Yellowknife so that keeps the prices down, and also in the small communities the businesses pay the fully burdened cost of energy. They have to pass that on to the consumer.

As a government, as I said, we spend about \$200 million subsidizing the cost of living. We have done studies that show in communities like Sachs Harbour, even though you make \$100,000, you have to be subsidized to a certain extent. I don't think there's too many ways around it.

In trying to find ways to reduce the high cost of living, we've determined that the best way to reduce the cost of living is to invest in infrastructure. That's the most tangible way of doing that. Thank you, Mr. Speaker.

MR. YAKELEYA: There is also a song, "Put another Log on the Fire."

# ---Laughter

And that's free and good for the communities.

I think we need to look at some of those solutions especially for young people. We, in our generation, grew up cutting wood, hauling wood by dog team and then by skidoo. We need to look at those types of solutions.

This is the important issue in the North. Do we accept the cold hard facts that when you live further out than the larger centres it's going to be a challenge because your options are limited? You don't have as many options as down in the Yellowknife area. That's a fact. So, what type of incentives, like Mr. Nadli talked about being a potato farmer, the potato capital in Fort Providence, to have those types of options that the Minister talked about and grabbing that type of energy and imagination of young people to say, this is what we can do to reduce the cost of living. These are the facts, Jack. It's going to cost a lot in the small communities and your choices are limited. They're not like Yellowknife. You cannot have that and

that's something we've got to look at. So that's why I'm looking at the energy, the high cost of living charrette, so common folk can sit around and say, well, these are the solutions living in our small communities. Thank you.

HON. BOB MCLEOD: I think it's fortuitous that our Finance Minister is starting his round of budget consultations so he can hear directly from the people. I think going back to, I guess, the old days, if I can use that terminology, where everybody was independent. They went out and got their own country food. They cut their own wood. It was a full-time job making sure they had food on the table. They could grow their vegetables, they'd set nets to catch fish, they'd go do their fall fishery and so on. That was the only way that they could afford to live in those communities, because nobody had power and nobody had running water.

So in modern day equivalency, we have all those amenities. It's very hard to go back to living that lifestyle, but I think that we're starting to see more and more of that with ITI. I think we now have 28 communities that are back growing their own food.

We, as a government, are moving more and more to biomass. We have most of our large buildings that are heated by biomass. We're very close, perhaps a year or two away, from a wood pellet facility, and a lot of the people are moving back and using wood pellets. So I think this Energy Charrette is one of the focuses to get people to be more independent in generating power and so on.

I think those are the kinds of things we have to seriously look at. I think we have no choice. Thank you.

**MR. SPEAKER:** Thank you. The Member for Weledeh, Mr. Bromley.

# QUESTION 461-17(5): EXPANSION OF MIDWIFERY SERVICES

MR. BROMLEY: Thank you, Mr. Speaker. My questions are for the Minister of Health and Social Services, and I'm really just seeking an update on where we're at with the implementation of midwifery. Perhaps I could get where we're at with Fort Smith and Hay River to start with.

Are those positions filled and are those programs fully up and running? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Bromley. The Minister of Health, Mr. Abernethy.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. There's one midwifery position vacant in Fort Smith that they're currently actively recruiting for. The two positions in Hay River have been filled and we're looking at going live early 2015. We have already begun some preliminary discussions with the Beaufort-Delta, but those positions and that program will not be moving forward until 2015-2016

as per our plan, but we are in early negotiations with those. Just recently we had the Deh Cho approach us, indicating that they'd be interested. So we're in conversation with them as well.

One of the challenges we have right now is our coordinator position within the department has left the department. So we're actively out recruiting for that position. We anticipate that that position will be filled in short order, which will allow us to continue to make the progress that we're making today. Thank you.

**MR. BROMLEY:** Thank you. If memory serves – and I can always look this up – the schedule after Beau-Del, I believe, was to return to Yellowknife and the Tlicho, so '15-16.

Can I assume that '16-17 will be Yellowknife? Mahsi.

HON. GLEN ABERNETHY: Thank you. We continue to move forward as the plan outlines, which is Fort Smith done, Hay River, Beaufort-Delta, Yellowknife, but we will look at other communities and regions as well. Thank you.

MR. BROMLEY: Just to return to the Beaufort-Delta, I believe the last we spoke there was something that was going to happen in December or January of 2015, December this year, January, in terms of negotiations were supposed to be starting.

Perhaps I could just get some more specifics from the Minister on exactly where we're at with the Beau-Del, given that Hay River is fully up and running and, I guess, this year it should be the Beau-Del. Mahsi.

HON. GLEN ABERNETHY: Thank you. Just for clarity, the Hay River program is not up and running to full capacity. We are actually working on the development of some evaluation parameters with the staff and making sure that everything is going to be appropriate for rollout and we're looking to roll out in early 2015. We have already begun some early and initial consultations for the expansions of the services to the Beaufort-Delta, and we're looking forward to having some public consultations up there in 2015-2016 as we move forward with rollout. Thank you.

**MR. SPEAKER:** Thank you, Mr. Abernethy. Final, short supplementary, Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Speaker. Again, I guess I would seek more clarity. There was a lot of fluff in that response. Some early consultation and then moving into consultations in 2015 and 2016 and rollout in 2015-2016. I'm not getting a warm and fuzzy feeling here. We're looking for some steady progress here and I think the Minister knows that.

Can we expect April 1<sup>st</sup> of 2015 there will be some implementation happening on the ground in the Beau-Del? Mahsi.

HON. GLEN ABERNETHY: Thank you. There have been some consultations with physicians and other professionals in the Beaufort-Delta. The result of those consultations, a number of challenges and concerns were raised around things like deliverables, potential complications and individuals' responsibilities. We're working through those right now with the Beaufort-Delta Health and Social Services Authority. Once we're a little bit closer and we have that information worked out with the physicians, we intend to do some public engagements as well.

We will not be moving forward with staffing until such time as a budget is actually approved for the 2015-2016 calendar or fiscal year, which means we will not be moving forward with staffing until at least April 1<sup>st</sup>, and it will take a number of months to fill those positions. But I'm prepared to move forward without a confirmed or approved budget. Thank you.

**MR. SPEAKER:** Thank you, Mr. Abernethy. Time for oral questions, time has expired. Item 8, written questions. Item 9, returns to written questions. Mr. Clerk.

#### **Returns to Written Questions**

RETURN TO WRITTEN QUESTION 21-17(5): REGULATOR OF OIL AND GAS OPERATIONS

**CLERK OF THE HOUSE (Mr. Mercer):** Mr. Speaker, I have a Return to Written Question 21-17(5) asked by Mr. Dolynny on October 20, 2014, to the Honourable David Ramsay, Minister of Industry, Tourism and Investment, regarding the regulator of oil and gas operations.

Mr. Dolynny had asked the following questions:

1. At times the regulator is privy to information that would not be in the public's best interest to disclose or debate, such as a company's net profit projections. What mechanisms are in place to ensure that information disclosure will respect the public's best interest and not place any corporation, agency or other organization at a significant disadvantage, and how will this information be dealt with in response to questions and debates within this House?

The regulator is bound by Section 91 of the Petroleum Resources Act (PRA), which states that information or documentation provided for the purposes of the PRA or the Oil and Gas Operations Act (OGOA) is privileged, with the exception of some areas of permissible disclosure identified in that section. Financial information submitted by a company is privileged under the legislation.

The regulator cannot disclose or discuss information that is privileged under Section 91 of the PRA in the Legislative Assembly

The regulator is also bound by the Access to Information and Protection of Privacy Act (ATIPPA). Where there is a conflict or inconsistency between the provisions of the PRA and the ATIPPA, the PRA provisions are to be followed (per Section 91(11) of the PRA.)

The regulator values and strives to achieve transparency and openness with respect to decision-making processes and other regulatory activities. However, as outlined above, the regulator is bound by the privilege provisions of Section 91 of the PRA.

2. How will corporate involvement and development of government programs and strategies, such as the Mineral Development and Economic Opportunities Strategy, continue under this new regime?

The regulator acts as an independent regulatory and decision-making entity and does not participate in the development of government programs and strategies relating to the support of economic development through industry engagement and promotion. These functions are carried out by the Government of the Northwest Territories departments.

3. How will decisions be reached in situations where the views of departmental advisors differ widely from the oil and gas committee or the Members of the Legislative Assembly?

The regulator, or his delegate, is a statutory decision-maker who can only consider evidence that is put before him in accordance with the requirements of the legislation and the information requirements, guidelines and interpretation notes issued under the Canada Oil and Gas Operations Act prior to April 1, 2014, and carried over under the transitional provisions contained in OGOA.

The regulator has service agreements in place with the National Energy Board and the Alberta Energy Regulator to provide technical expertise and recommendations in support of decision-making. From time to time, the regulator also accesses technical expertise from other regulators.

While staff of the National Energy Board, Alberta Energy Regulator and others provide technical expertise, decisions are made by the regulator or his delegates, as appropriate.

Due to the confidentiality requirements in the PRA and the need to maintain an arm's length and independent decision-making process, the regulator cannot discuss specific applications with GNWT departmental officials, MLAs or other stakeholders, including members of the public, except under the limited circumstances provided for in the legislation.

The regulator also cannot discuss applications with Executive Council.

The oil and gas committee identified in OGOA has not been constituted. However, its role is limited to decisions with respect to pooling and unitization, where the committee is empowered to make decisions and issue orders under OGOA that bind the operators in question. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Clerk. Item 10, replies to opening 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. Abernethy.

# **Tabling of Documents**

TABLED DOCUMENT 152-17(5): ANNUAL REPORT OF THE DIRECTOR OF CHILD AND FAMILY SERVICES 2013-2014

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. I wish to table the following document, entitled "Annual Report of the Director of Child and Family Services 2013-2014." Thank you.

TABLED DOCUMENT 153-17(5): SUMMARY OF MEMBERS' ABSENCES FOR THE PERIOD MAY 28, 2014, TO OCTOBER 15, 2014

MR. SPEAKER: Thank you, Mr. Abernethy. Pursuant to Section 5 of the Legislative Assembly and Executive Council Act, I wish to table the Summary of Members' Absences for the Period of May 28, 2014, to October 15, 2014. Thank you. Mr. Miltenberger.

TABLED DOCUMENT 154-17(5): SUPPLEMENTARY ESTIMATES (INFRASTRUCTURE EXPENDITURES), NO. 4, 2014-2015

TABLED DOCUMENT 155-17(5): SUPPLEMENTARY ESTIMATES (OPERATIONS EXPENDITURES), NO. 2, 2014-2015

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. I wish to table the following two documents, entitled "Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-15," and "Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015". Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. 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. Mr. Moses.

# Second Reading of Bills

# BILL 33: AN ACT TO AMEND THE ELECTIONS AND PLEBISCITES ACT, NO. 2

**MR. MOSES:** Mr. Speaker, I move, seconded by the honourable Member for Thebacha, that Bill 33, An Act to Amend the Elections and Plebiscites Act, No. 2. be read for the second time.

Mr. Speaker, Bill 33 amends the Elections and Plebiscites Act to:

- replace the provisions for advance polls with a new special voting opportunity;
- modernize requirements relating to campaigning, including requirements with respect to campaign advertising and sponsor identification;
- require candidates to file statements from banks or approved institutions in support of their financial reports;
- increase the number of electors for whom another elector may vouch and prohibit candidates from vouching;
- prohibit candidates from accepting more than \$1,500 in anonymous contributions;
- permit candidates to pay for petty expenses incurred in a campaign period;
- enhance the investigation and enforcement powers of the Chief Electoral Officer; and
- modernize the drafting of the offence provision.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Moses. There's a motion on the floor. The motion is in order. To the principle of the bill.

SOME HON. MEMBERS: Question.

**MR. SPEAKER:** Question has been called. Bill 33, An Act to Amend the Elections and Plebiscites Act, No. 2, has had second reading.

---Carried

Mr. Moses.

**MR. MOSES:** Mr. Speaker, I seek unanimous consent to waive Rule 69(2) and have Bill 33, An Act to Amend the Elections and Plebiscites Act, No. 2, moved into Committee of the Whole.

--- Unanimous consent granted

MR. SPEAKER: Item 20, consideration in Committee of the Whole of bills and other matters: Bill 25, An Act to Amend the Education Act; Bill 27, Miscellaneous Statute Law Amendment Act, 2014; Bill 29, Human Tissue Donation Act; Bill 30, An Act to Amend the Public Service Act; Bill 32, An Act to Amend the Pharmacy Act; Bill 33, An Act to Amend the Elections and Plebiscites Act, No. 2; Committee

Report 7-17(5), Report on the Development of the Economic Opportunities and Mineral Development Strategies; Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016; Tabled Document 154-17(5), Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015; and Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015, with Mr. Dolynny in the chair.

# Consideration in Committee of the Whole of Bills and Other Matters

**CHAIRMAN (Mr. Dolynny):** Good afternoon, committee. I'd like to call Committee of the Whole to order today. What is the wish of committee? Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chair. We would like to continue consideration of Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016, with the Department of Environment and the Legislative Assembly and, time permitting, Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015, Tabled Document 154-17(5); and, time permitting, Supplementary Estimates (Operations Expenditures), No.24, 2014-2015, Tabled Document 155-17(5). Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. We'll commence with that after a brief break.

# ---SHORT RECESS

CHAIRMAN (Mr. Dolynny): I'd like to call Committee of the Whole back to order. As agreed upon before the break, we are going to continue on with Tabled Document 115-17(5), NWT Capital Estimates, and we are currently with the Department of Environment and Natural Resources. I'd like to ask Minister Miltenberger if he would like to bring witnesses into the Chamber. Minister Miltenberger.

**HON. MICHAEL MILTENBERGER:** Yes, Mr. Chair. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you. I will ask the Sergeant-at-Arms to please escort the witnesses to the table.

For the record, Mr. Miltenberger, could you please introduce your witnesses?

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chair. With me is the deputy minister, Ernie

Campbell; and Mr. Bill Mawdsley, director of forest fire operations. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. Mr. Campbell, Mr. Mawdsley, welcome to the House again.

Committee, we were continuing on detail of Environment and Natural Resources. We are currently on page 22. With that, Environment and Natural Resources, forest management, infrastructure... Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I have a motion I would like to have circulated, please.

**CHAIRMAN (Mr. Dolynny):** Thank you. If you just give us a second, we'll circulate that motion. Thank you.

Mrs. Groenewegen, go ahead with your motion.

COMMITTEE MOTION 92-17(5):
RETENTION OF AMPHIBIOUS FIREFIGHTING
AIRCRAFT AND EXPANDED TRAINING AND
DEPLOYMENT OF COMMUNITY FIREFIGHTERS,
DEFEATED

MRS. GROENEWEGEN: Mr. Chair, I move that the Department of Environment and Natural Resources retain and continue to operate the existing fleet of government-owned Canadair CL-215 amphibious firefighting aircraft; and further, that the department of Environment and Natural Resources work closely with Municipal and Community Affairs' School of Community Government to expand effort in training and developing community firefighters in all regions to promote awareness of fire protection responsibility at the community level. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mrs. Groenewegen. The motion is in order. To the motion. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. As I stated yesterday in the House, I am not opposed to the purchase of the new 802 firefighting aircraft, the ordering of those. They will be on the ground, I assume, around 2017. But I think that in spite of some of the challenges with the 215s, I think it is still worth hanging on to them. Mr. Miltenberger yesterday said that the overall cost of the firefighting season this past summer was \$60 million and that it would cost around \$3 million to keep this group of aircraft on the ground and on standby. It seems like it should be fairly good insurance if we end up having other serious fire seasons here in the Northwest Territories.

I think the CL-215s have proven themselves, and in spite of what I hear are some fuel issues, I think the GNWT owns an inordinate amount of parts for these aircraft, and from the information I have, it would appear that the market for these aircraft, if

the government were selling them, would hardly be enough to be considered the down payment on the 802s. I don't know; I'm just looking at them from a business point of view, and if the 215s have any useful life to us, any use to us as a government, we would be better off to keep them in our possession as opposed to disposing of them.

As I had also mentioned, there may be future use for the 215s in the area of pollution and containment and abatement, and apparently there are kits that these aircraft could be outfitted with that could help us in that as well. So, I just don't want the government to hastily dispose of these.

The capabilities of the 802s versus the CL-215s, and for sure I am not an expert on this, but to my understanding they are two very different vehicles when it comes to fighting fire and they each have their strengths and their weaknesses. I would question, I guess, the business sense of getting rid of the 215s because, like I said, it could be a very questionable value that we could actually acquire for them.

The second part of the motion speaks to the training of firefighting crews in the Northwest Territories. All fires are in different locations. Some of them are small and can be fought to some extent on the ground. I think that we need to make sure that we have attacks from all aspects and all angles available at our disposal. This also does create employment and training in our communities, and we have people then readily available who can assist when fires threaten their region and our communities. They can be deployed to different parts of the Northwest Territories. I think it's another excellent investment on the part of this government.

That is it, kind of a summary. The gist of this motion is to retain the 215s. I am not opposed to purchasing the 802s and would like to see the human resource aspect of the firefighting component also ramped up by this government. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mrs. Groenewegen. To the motion. Mr. Bouchard.

MR. BOUCHARD: Thank you, Mr. Chair. Obviously, with this year's firefighting season, I am definitely supporting the second part of this training of firefighters at the regional levels and including more and more of that for future years. We know over the next couple of years we are probably going to need more crews on the ground, and even the department mentioned it yesterday that we have these large craft that spread retardant but the actual fires are put out by the crews, by the staff, and I think that we need to make sure that we have a well-trained staff in the Northwest Territories. If we have an abundance of staff in five years, then that's something that we can farm out.

Obviously, considering the 215s, I do think it's an asset that we need to keep. I have been questioning the need for the 802s at this time, especially with the expenditures that we've been having. I know there are concerns with the fuels, yet we know there are thousands if not tens of thousands of planes that are currently operating under this fuel system in North America, and I think that the perceived perception that there is going to be a shortage of this fuel is one where we are predicting, or one we are convincing ourselves that this is a situation that needs to be rectified by purchasing these 802s, spending \$27 million currently. I guess I lost that fight. I have been fighting to maybe delay this purchase of these units and try to actually do it between the two types of equipment. I think this is the compromise that would keep the 215s.

When we have demands in the Territories, we're going to need all the assets that we have. We have heard from the Minister and the department that we will farm it out, we will get additional reinforcements from other regions. The problem being, if there are fires in every other province and they have their assets contained, we will have difficulties acquiring this. Typically, there is some region that is not fighting fires at the same time as us, but the scenarios are that we should be keeping... If we have an asset that the fuel supply hasn't run out, and we have these assets and the parts for it, we know that they are effective in many ways, we should be keeping these assets in our inventory until the last possible minute that we can.

We're not getting much for sale value. We know they are not much use for other territories who have upgraded to the 415s, the larger planes. What we know is our jurisdiction is smaller funded and we can't afford 415s, so I think we should be keeping the 215s as arsenal in our firefighting capacity, so I will be supporting this motion. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bouchard. To the motion. Mr. Moses.

MR. MOSES: Thank you, Mr. Chair. Just in light of the events that took place last year in the communities that were put at risk and not only that but having enough resources in terms of manpower, I think that the motion brought forth that we have before us is a motion that shows government supports our forestry division.

I honestly think that keeping the 215s, we need as many resources as possible along with the 802s, and I think they would be more efficient in terms of having initial attacks with the fires. Having more fleets would also be a safety mechanism, so we wouldn't put some of our individuals on the front lines and we can fight them from the air rather than on the ground.

Speaking with some of my former colleagues in the forestry area, it was a very dry season and it's all indicating that we will have another dry season next year, so we can actually look at having a more extreme fire season and it could possibly get worse. So the more resources we have, the better. Like was mentioned, we had seven communities that were at risk. Having those trained individuals would help lower that risk for communities that might be in danger.

But as my colleague Mr. Bouchard said, as well, we have jurisdictions that have extreme forest fire seasons, as well – BC, Alberta – and I know that the territory does export a lot of our firefighters south or to the Yukon or wherever there are extreme fire conditions.

So I support the motion and any resources that we can give to our guys on the front lines that would make sure that they go home at night and also protect our communities and our assets and peoples' livelihoods. I fully support it and thank Mrs. Groenewegen for bringing this motion forward. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Moses. To the motion. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I could go on at length on how important our fire system is, and certainly our resources and personnel. I would certainly like to do so, but unfortunately, time doesn't avail itself to the amount of things that we should be talking how great they are. I will say that without them, we would have seen such a horrendous result of this summer, and I am very thankful they have been on the line providing the services that they do.

The government does provide the resources necessary to do this job, and it's our job to support the government where necessary and we feel it makes sense. This is an interesting one because our government is looking at the aircraft referred to as the 802s style of aircraft and replacing our present fleet, which is referred to as the 215. It's funny when you think about it, that the new system will come in but does the old system become completely obsolete. There may be a value to it if we market it and sell it somewhere. But I often wonder what the results, thinking about that, is what value does it present us and what value have we taken away from the potential opportunity of using these?

I don't know, really, if this is from an accounting exercise, certainly not experience. None of us in this room, besides the experts at the witness table that is, have this level of detail or experience on how to deal with these things, both financially and operationally.

One of the challenges I have here is the worry of thinking, would we be selling an asset of ours for

pennies on the dollar, out the door just to get rid of them and asking ourselves, are we ready for the next fire season or the next fire season thereafter. So I would caution us to get rid of them too. I think really what this motion is doing is suggesting, let's keep them in our fleet, although it doesn't have a time frame by saying keeping them in our fleet three, five, 10 years, but what it does is it suggests that we keep them in our fleet to be prepared.

I'm happy to support the motion at this time, and I would prefer that we keep them in our fleet, keep them accessible to us. And you know what? There may be a way to work them into our firefighting system.

I'd really like to see an evaluation done maybe after two fire seasons. If they become a financial problem, and I don't want to use the word boondoggle, because that always brings a bit of a negative aspect, but if they end up being just a financial resource, we spend our money, that just isn't played out, and the affordability factor, I mean, those results would drive the analysis, and I wouldn't want to prejudice them coming in until that result is done. My encouragement would be, let's keep them as an operational asset for probably a couple years and do an assessment on that and find out where they were.

It's funny. We only have so many planes now and we fought the fires that we fought. What would it have been like if we had twice the amount of infrastructure fighting the same fire? Would we have fought it twice as fast? I don't know. I mean, mathematically, fire doesn't burn that way, I know. Fire experts will tell you how it burns, and how it continues to grow at different paces. Could we have stopped it sooner than later? I don't know, but I would hope that maybe if we kept these a couple years, saw the results and were able to sort of chart and plan and predict, maybe, in the future, I mean, this might be the way to go.

The last thing I'll say is, although we don't have the money to go beyond eight 802s, after this fire season one may wonder is eight enough. Financially, we are not in any position to keep pursuing more than eight, but by the same token, keeping them, an asset we already own, a cache of equipment, stores of supplies and tools and everything that suits them, including parts, it would be a shameful waste to get rid of them, like I said, at pennies on the dollar when this could be a territorial resource that we could evaluate after a couple of years to find out if it really made sense.

We have to have the vision of this and this is what Legislatures do, is we're supposed to have the vision of seeing problems ahead of us and trying to figure out ways to deal with them. I'm hopeful that this could be a resource that puts people to work and protects Northerners where it matters most.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Hawkins. To the motion. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Chair. I will not be supporting this motion. I think retaining this fleet would be, unfortunately, equivalent to deciding to keep an albatross around our necks. This is currently an investment liability with increasingly low returns on that investment.

We know what maintenance costs are and they're increasing. We know we have to maintain a huge parts inventory, and these are the sorts of commitments we'd need to retain this as a potentially useful tool. I mean, this is just for standby we're talking here and the years such as this when we would take any help we can get. Of course, the Minister and others have mentioned that we can patch into those other resources nationally as required and very efficient use of fleets across Canada. It enables jurisdictions to do what they can without having to try and cover all fronts.

As a member of the Economic Development and Infrastructure standing committee, I was able to participate in a review of this and ask a lot of questions, and I was satisfied with the responses I heard. The sorts of things I've heard during the debate so far here with ENR and this session is these aircraft are costly to maintain. They're old. As the Minister said, they're almost as old as I am, and that's pretty old. Those costs are both direct through maintaining the aircraft and indirect through maintenance of a very large inventory of parts which is required, as we know. I think of Buffalo Air and I'm sure they have a huge inventory of parts to keep those aircraft in the air, and that is an ongoing cost.

While they carry a larger payload of water, and that's attractive, they are significantly limited, as we've heard, in several ways. Just to go over a few of those: maneuverability. They're not able to get into small water bodies, so they have to go quite a ways. They're not as precise in delivering the load exactly where it's needed. Fuel requirements, very restrictive. Avgas, as we know, is becoming more and more limited in its availability across the NWT and across the North. Of course, that means they can't be stationed where they need to be without a huge investment to transport fuel rather than relying on commercial supplies that have larger volumes and lower costs. There is also something I haven't heard people mention very much, if at all, and that's the personnel requirements. The 215s have double the personnel requirements of the 802s, and to have them on standby, again, I think, is a significant part of the costs. I've mentioned the maintenance and precision of delivery as an additional couple of

I'd just like to relate, very briefly, an experience I had. I think it was last summer. My wife and I were

out at River Lake and woke up to a small forest fire not too far away. After foolishly trying to fight it ourselves, we found out my wife's cell phone worked, so we were able to patch in and within 20 minutes the 215s were there. It was great. There were two of them and they dumped six loads for that tiny little fire, but each time to reload they had to go all the way to Prosperous Lake, whereas the 802s clearly would have been able to dip right there into that significantly sized River Lake. That's an example of the sorts of and, again, very precise, delivery.

Pollution kits, I think I heard Mrs. Groenewegen talk about those, and those are of interest. I would think they would certainly be available on a modern aircraft and we should include that in our purchase if that's the case for the 802s.

Currently, I think there is a modest bit of resale value for these aircraft and the very large parts inventory we have, so considering this potential investment recovery, as modest as it is, but also avoiding the increasing annual costs of maintenance, crews, insurance, and so on, all for this aging fleet, with all of the limitations that are listed in their performance really robs us of the funding and resources we're seeking in the second half of the motion, which I do support very much. Partly I disagree with the first part of this and I see a conflict with the second part, which I do support.

Again, I appreciate this being brought forward and the discussion that it's engendered here, and I certainly hope we don't forget about the second part. Again, I will be not supporting the motion, but I do appreciate the discussion.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bromley. To the motion. I have Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Chair. Having discussions with our committee with the Minister of ENR with regard to purchase of the Air Tractor 802s, I certainly support the idea of replacing the CL-215s, and one of the biggest is, aside from all the technical aspects that are being discussed here in the last little bit, is we're facing funding pressures, and once again, if we're going to maintain the extra fleet while buying these new Air Tractors, we're also talking about \$3 million worth of resources that is much needed in the communities and regions. I liked the briefing where it says that because they're smaller, they're able to be closer to the fires. They're even able to be parked in some of the smaller communities with the longer runways if and when needed.

I won't be supporting that motion, but I just want to say further to that, it's interesting how the motion talks about efforts in training and deploying community firefighters in all regions, and that's certainly something that's definitely needed and I certainly support that. I know that our communities want those extra supports out there because they

told me this summer, why wait for the firefighters? Why don't you use that extra training and hire more people from the communities that want to be out there firefighting? So if anything needs to be said about this motion, I would say we've got to continue utilizing our homegrown expertise. There are lots of people in my communities that want to go firefighting. They're EFFs, but we were importing a lot of firefighters this summer. I certainly support additional firefighters for the communities, but the way the motion reads, maintaining an older fleet that needs increased maintenance and even more maintenance, I just can't support that. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Menicoche. To the motion I have Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. I appreciate the mover of the motion bringing it forward. I've listened to the arguments on both sides and I really don't know whom to believe at this point. I see the value in retaining the CL-215s, but I also understand the cost that's involved if we do that. I do appreciate that I think the argument that the eight new 802s will suffice, that we don't need to keep the CL-215s. So I'm torn and think that I don't want to vote against this motion.

I certainly appreciate the second part of this motion. I do believe that we need to make sure that our communities have firefighters within the communities, that we retain firefighters within our communities, and I gather there's been a trend away from that.

So I will have to abstain from the motion. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. To the motion, Mr. Yakeleya.

MR. YAKELEYA: Mr. Chair, I wanted to say that the fleet that we own, the CL-215s, were, I'd say, a gift from the federal government when we purchased them. They certainly have done their work fighting fires in the Northwest Territories. Certainly, we could continue to use them. We've seen a number of dollars that were spent on this past summer's fire season and I think that there's still some useful time left in the life of these CL-215s. I'm hoping that the government would continue to look for ways that we can retain them and continue to operate them in the North.

There has to be a lot of pros on the CL-215s. That's why it makes good sense for us to keep these fleets within the control of the GNWT.

The second paragraph of this motion speaks to the community members who want to help their community by fighting fires, if they're properly trained. We made a conscious decision to cut crews in some of the smaller communities to save money, and I know that didn't make sense to some of the communities that no longer have suppression crews in their communities while there were fires

around the communities and the water bombers came in to fight the fires. There has to be a balance.

Community fire suppression crews do a lot for the communities and sometimes other resources are not available right away, and sometimes these fires are being monitored far from the community. They get bigger and bigger and pretty soon everybody is screaming and yelling for water bombers, it's smoky and all that stuff. My friend next to me, fortunately they had cell phone service and made a phone call, and he said 20 minutes later two water bombers were coming in. They dropped six loads. I sure wish I had that in the Sahtu, you know. So we'll be fighting every fire down here in the south and here. Last year it wasn't like that in the Sahtu, and it was pretty smoky up there.

So this is where we see the second phase of the motion, to bring and train and start deploying the firefighters in the communities and the regions. You have to have fire suppression crews. You have to bring a balance to the technology and just good old plain manpower and look at some of the areas and how we're fighting fires in the different regions. That's why I said yesterday in Committee of the Whole, there seems to be some kind of a two-tier standard for fighting fire in the Northwest Territories. The department officials could tell me otherwise, but I've seen it in the Sahtu. I know there are some people in the communities who have fought fires for a long time. Sometimes they don't meet the up-to-date standards of being a firefighter. It's changed over time.

I fought fire when I was a young man – I'm still a young man – in the good old days of fighting fire. Today, I understand, they've got showers now. You never heard about that in '79. They had showers in camps and you're moving out there in the hot fires with backpacks and we gave 'er until the fire was out. We were happy when the water bombers came because then we got a five-minute rest. Then we worked again. I think some of the old way of doing business is still valid today. I think that we've got to believe in our people, and this motion's second paragraph is talking about the people don't have that dependence so much on new aircraft coming in

We've got to believe in our people and say that it makes sense to have a fire crew in the regions or in the communities that the crews were cut from, not having a suppression crew there. It's an evolution process in developing our people in our smaller communities. And there are challenges. Nothing is going to be easy. I think that this motion is talking about that, bringing back the basics. This technology out there, the 802s, I think that they're pretty good, from what I'm hearing. They can do some good work there. I think we need to balance it with some pretty good crews. You could call them

the 802 crews in the communities, a new breed of firefighters. Like I said, I never thought I'd see showers in the fire camps, but they are there. I remember how people felt when they were working on the fires and helping their community.

So I'm going to support this motion on that principle, and I think that there are some... Surely there must be some good points in the CL-215s and we can use them. I think there's a need for it. All I've been hearing is the reasons why we need to let them go. I guess maybe for some of us it's hard to let some things go. It may be true, I'm not doubting the information, but I think there's a way that we could certainly keep them and see where they can be most beneficial to us. Those are my comments, Mr. Chair.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Yakeleya. To the motion. Mr. Blake.

MR. BLAKE: Thank you, Mr. Chair. As much as I would like to support this motion, from what I understand there are a few challenges with the current aircraft, keeping them operating and up to standards. As you know, in this day and age there are a lot of standards that we have to follow and I think that moving forward with new aircraft will live up to those standards and have safer equipment for forestry crews.

Also, the second part of the motion, working with the School of Community Government, in the past ENR has always had suppression crews on their own. We do have fire departments in our communities, but they focus on our actual community and suppression crews tend to defend the communities and around the community.

Moving forward, I think that is something that we need to bring back. I mentioned that, even within the last year here, even before this big fire season that we had. We didn't seem to act on that and we see the consequences; you know, scrambling around, last minute. It seems that we are always doing crisis control.

It always helps to be prepared for major disasters like this. We were very fortunate this year that we did manage to control the fire, but now, moving forward, we have to do a better job as government to be prepared. I really strongly recommend that we put back those suppression crews that we have taken out within the last 10 years. I could name a few communities offhand, but I'm sure the department knows that very well. Moving forward, I would like to see those put back in place.

To the motion, unfortunately, I can't support that. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Blake. To the motion. Minister Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. In regards to the second part of the

motion, we of course are going to be looking at the fire crews. We had very good fortune and a good response when we started training emergency firefighters, and the issue of are we adequately staffed on the ground is one we're going to look at as part of our comprehensive annual review that we do. So we are going to work on that.

In relation with community firefighters, fighting residential fires is one that we haven't explored that much, but we definitely are going to be looking at are we staffed up to the right degree with the fire crews on the ground, especially if we anticipate that this may be something close to a new normal. Hopefully it's not, but we don't know.

In regards to retaining of the 215s, there is a fuel shortage. Avgas, as a fuel, is becoming harder and harder to get. It contains lead; we have to special order it; we have to try to guess where it's going to be needed. Either that or we put it in all of the communities in very large quantities and then it has a shelf life of six months. If you ship it into the more remote areas and you have no use for it, there's no fire season, you are left with a huge inventory of avgas that costs us a fortune and we have no way to dispose of it. Then we have to go through the process of, in fact, hauling it out and it has to get recertified or it has to get disposed of because of the short shelf life.

There is a cost. We are now paying about \$4 million per year to keep these planes operational. We are going to be using these planes up until 2017 as we wait for the new 802s to come off the assembly line and get ready to be put into service. So we are going to keep them in the air for that length of time. Right now, they are worth roughly \$5 million. In four years we expect that that number is going to drop, it could be as much as 25 to 30 percent, and that's for all four of them. They have a diminishing value, and if the avgas becomes even harder to find, then that value may go down even more. We do have, as has been pointed out, a substantial parts list, but that would be part of the deal as we looked at moving away from this.

The other big piece I mentioned yesterday, is these are not exportable, so they sit on the runway if we are going to keep them. If we were called and we had to send planes south and our 802s where busy, these ones would have to sit on the runway because they won't be allowed to fly in any other jurisdiction. They have served us well, their time has come, there is some life left in them, but it might be another thing except firefighting.

Final comment, Mr. Chairman, is we had a similar situation like this 20 years ago where we had Canso bombers and they were the equivalent of what 215s are today. They were old, antiquated, small capacity, high maintenance planes that for all the wrong reasons, in retrospect, we kept. We tried to keep them in our fleet and we spent enormous

amounts of time and money. They were, in fact, a liability before we finally made the decision that this is crazy to keep these old Canso bombers with a high, high repair rate, accident prone, but we were bent and bound and determined we were going to keep them in our fleet in the air with a lot of the same actors that are still proponents for those types of planes.

We've had hard lessons in the past, so I do appreciate everyone supporting an interest in the fire program; we need to have good equipment. On this one, the department has made the case why it's necessary to divest ourselves of this. It would add another \$4 million or \$5 million to our budget that we don't have that we would have to take from somewhere. Would there be a consequential effect on available money to do other things? I would suggest, most certainly. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. To the motion.

SOME HON. MEMBERS: Question.

**CHAIRMAN (Mr. Dolynny):** Question has been called. Motion is defeated.

#### ---Defeated

Thank you, committee. Committee, we are going to continue on with consideration for detail on forest management, Environment and Natural Resources, page 22. Forest management, infrastructure investments. \$8.720 million. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Chair. I am just wondering: I am not familiar with wildland fire engine. If I can get some understanding of that since I am supposed to be approving this budget. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bromley. With that we will go to Deputy Minister Campbell.

**MR. CAMPBELL:** My apologies, Mr. Chair. I didn't hear the question.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Campbell. We will go back to Mr. Bromley to repeat his question. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. There is a new type 4 wildland fire engine that is noted in the budget here under our list of capital projects under forest management. I am just not familiar with what that is, so I wanted to try and understand what that is before I approve its purchase. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bromley. Deputy Minister Campbell.

MR. CAMPBELL: Thank you, Mr. Chair. That capital item is basically a fire truck that will be capable of carrying a crew with the initial attack configuration pump, 2,000 feet of hose, et cetera. And on top of that, the capability with a large water

tank, as well; again, specifically for fighting fires that are easily accessible by road. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Campbell. Committee, on page 22, forest management, infrastructure investments, \$8.720 million. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Dolynny):** Committee, if I can get you to turn to page 24, wildlife, infrastructure investments, \$1.125 million. Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. If I can get you to return to page 17, Environment and Natural Resources, total infrastructure investments, \$11.343 million. Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Does committee agree we have concluded consideration of the Department of Environment and Natural Resources?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN** (Mr. Dolynny): Thank you, committee. I'd like to thank Minister Miltenberger today, and again our guests here, Mr. Campbell and Mr. Mawdsley. Thank you for joining us today. With that, we'll ask the Sergeant-at-Arms if he could please escort the witnesses out of the House.

Committee, as we agreed upon earlier, we're going to continue here with the capital estimates under the Legislative Assembly. With that, we'll go to the Speaker of the House, if he would like to bring witnesses into the House. Speaker Jacobson.

HON. JACKIE JACOBSON: Yes, Mr. Chair.

**CHAIRMAN (Mr. Dolynny):** Thank you, Speaker Jacobson. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. Sergeant-at-Arms, if you could please bring the witnesses into the House.

Speaker Jacobson, if you would like to introduce your witnesses to the House, please.

**HON. JACKIE JACOBSON:** Thank you, Mr. Chair. To my right I have Mr. Darrin Ouellette, and to my left I have the Clerk of the Assembly, Mr. Tim Mercer.

**CHAIRMAN (Mr. Dolynny):** Thank you, Speaker Jacobson. Mr. Mercer and Mr. Ouellette, welcome to the Chamber again.

Committee, as we agreed upon earlier with convention, we will not do any opening comments. We'll go directly to general comments. Does

committee agree that there are no general comments and we can proceed to detail?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Committee, we will defer page 7 until consideration of activities. Committee, page 8, Legislative Assembly, Office of the Clerk. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Chair. I just had one question. I see there was quite an increase from our capital estimates last year, I guess, the current year that we're in, '14-15, from the figure presented, \$329,000 up to almost double, and I'm just wondering if I can get an explanation of what accounts for the increase from \$329,000 to \$657,000 there.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bromley. Speaker Jacobson.

HON. JACKIE JACOBSON: Thank you, Mr. Chair. For capital funding for this year, the extra \$150,000 is for the accessibility betterments of our building here at the Assembly for access for people with disabilities. It's in a two-year plan that we're doing, and the betterments that we're finishing off this year would make it accessible for the people with disabilities to have full access to the building.

**MR. BROMLEY:** So that difference between the \$329,000 and \$657,000 was essentially accounted for by the additional commitments to making the building accessible to those with disabilities as I understand it. That's all I had then.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Bromley. I'll take that as a comment. Committee, again, page 8, Legislative Assembly, Office of the Clerk, infrastructure investments, \$150,000. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. If I can get you to turn to page 7, Legislative Assembly, total infrastructure investments, \$150,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Does committee agree we have concluded consideration of the Legislative Assembly?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN** (Mr. Dolynny): Thank you, committee. I'd like to thank Speaker Jacobson, Mr. Mercer and Mr. Ouellette for joining us today. If I could get the Sergeant-at-Arms to please escort our witnesses out of the Chamber.

Committee, as agreed upon earlier today, we're going to continue on. We're going to be doing Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. This is Tabled Document 155-17(5). With that, we'll go to the

Minister for opening remarks. Minister of Finance, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: I am here to present Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. This document outlines an increase of \$63.994 million in operations expenditures for the 2014-2015 fiscal year.

The more significant items included in the supplementary estimates are:

- \$47.4 million for the Department of Environment and Natural Resources related to two special warrants that were approved to address costs of fire suppression during the extreme fire season this summer;
- \$20 million for the Department of Finance to mitigate the impact of extreme low water conditions on the Snare Hydro System on NWT residents' power costs; and
- \$770,000 for Education, Culture and Employment to fund startup costs associated with the implementation of Junior Kindergarten and for incremental costs associated with the implementation of the Education Renewal and Innovation Action Plan.
- I am prepared to review the supplementary estimates document.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. Minister Miltenberger, do you have witnesses you'd like to bring into the House?

**HON. MICHAEL MILTENBERGER:** Yes, I do, Mr. Chair. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. Sergeant-at-Arms, if you could please escort the witnesses into the House. Before we do that, sorry, does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. Sergeant-at-Arms, if you could please escort the witnesses in.

Minister Miltenberger, if you could introduce your witnesses to the House, please.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I have with me Deputy Minister Mike Aumond and the director of the Management Board Secretariat, Olin Lovely. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. Mr. Lovely and Mr. Aumond, welcome to the House again this evening. With that, we'll proceed with general comments. Mr. Bouchard.

**MR. BOUCHARD:** Thank you, Mr. Chair. I guess I just have some concerns and I think most of them have to do with the accelerated activity in the Tuk to Inuvik highway. Oh, this is in operations. Sorry. I thought we were on capital. Sorry. Go ahead.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. Yes, we are on Operations Expenditures, No. 2. I'll open the floor again to general comments. I have Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Chair. I see this supp includes a special warrant, which I appreciate. I think this is an important opportunity, obviously, for us to be commenting on special warrants when they come forward in supps like this. It's an important opportunity for Members of this House to share their perspectives, and special warrants, as we know, are expenditures that are made on an emergency basis typically almost by definition when it has to be done and we really can't afford to go through the process of approval at the time, but it does allow a retrospective look at things and public discussion, especially as in this one where we have amounts like \$47 million-plus.

I note that there are at least two very significant expenditures that were totally unexpected when we started the year. Obviously, an amazing fire season, very costly and certainly extensive. So we're dealing with a supp here of \$47 million to deal with that, \$47.4 million. That's an unexpected amount, and given that we fight tooth and nail to come up with \$15 million or \$18 million for new initiatives every year, that does put that \$47 million... That's about three years of special initiatives, new initiative money gone up in smoke.

Then, of course, there's the \$20 million, which we heard about earlier today, the discussion about the complete lack of consultation with Members. Again, an unexpected cost that we should have had input on, but a unilateral decision by Cabinet to do that. Again, significant decision without being in line with our consensus government principles, but an unexpected cost. So now we're dealing with this supp in this fiscal year or the current fiscal year with \$67.4 million of unexpected expenditures. Now, that's a very significant amount of money at any point in our history, but particularly given our current fiscal status. We're trying to bump up our borrowing limits wherever we can by hundreds of millions of dollars. The impact of this, of course, will be felt reverberating through the 18th Assembly and this is even before we get to supps on the capital expenditures.

So I guess there's nothing we can do about forest fires other than deal with climate change to try to get that sort of thing in line. I don't think we've been doing a good job on that front. It does speak to that sort of thing even though we're here to deal with dollars. What the dollars reflect is whether or not we're doing a good job on other fronts. With climate change, of course, that reflects on governments around the world. We're in line in terms of not dealing with it, despite our opportunity to play a real leadership role here. Then, of course, there's the \$20 million without any discussion about how we

might mitigate those impacts through wiser expenditures.

I just wanted to note my concerns in case the Minister wasn't aware of those. I'm sure he was, but I think it's important for the public that in fact this government is throwing around, really, by the time we're done here, hundreds of millions of dollars in unexpected costs and this is definitely going to be affecting our fiscal status and the 18<sup>th</sup> Assembly and so on. I'm not going to be proud walking out the door if I don't return next term and leave the 18<sup>th</sup> Assembly with some of the things that I see coming down the pike because of these sorts of decisions.

I'll leave it at that as general comments. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Bromley. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I appreciate the Member's concern and his comments. If you look at the whole fiscal picture at the end of this Assembly or where we currently are now, I would say while we have challenges, it's not as bleak as the Member would indicate and we are doing an enormous amount of very critical things like the \$350 million project at Stanton. We're discussing a \$314 million capital plan, which we bumped up \$50 million this year. So there are enormous challenges for a government this size, for a territory this large with the demands as many and varied as they are.

This Legislature has managed its way through some very trying and difficult times balancing a lot of priorities, so as we leave this 17<sup>th</sup> Assembly and for those of us who are coming back or intending on coming back, you want to know that you aren't going to leave the 18<sup>th</sup> Assembly hamstrung. I don't think, at the end of the day, they will be hamstrung. They will have challenges, but every government does. They will have a lot of good things they are going to inherit as well. Thank you.

MR. BROMLEY: I appreciate the Minister's perspective there and I know he has the same perspective as me in the long run. What it also means is we're giving up the opportunity for services to people and for doing a better job at dealing with the cost of living, et cetera. We have a record for continually going back to big daddy to raise our borrowing limit and so on, and we don't seem to pay much attention to those. We try to have a \$100 million buffer, and that's starting to disintegrate because of these sorts of decisions and unexpected costs.

The alert, I think, is unexpected costs are becoming an expected part of the routine business that we deal with because of some of these larger problems that we have not been effectively dealing with. That's an alert that we need to maintain buffers and perhaps should contemplate larger buffers, Given that we have seen in a year like this we can do in those buffers with one season's events.

I appreciate the Minister's perspectives. He is our Minister of Finance and I am commenting from the outside, but I am commenting with seven years of trend in mind. I know others might have similar concerns. I will leave it at that, Mr. Chair.

**HON. MICHAEL MILTENBERGER:** Once again, I appreciate the Member's comments. I will just accept and thank him for making them. Thank you.

**CHAIRMAN (Mr. Bouchard):** Next I have Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chair. I move that we report progress.

---Carried

**CHAIRMAN (Mr. Bouchard):** I will now rise and report progress. Thank you, Minister. Thanks, witnesses. Sergeant-at-Arms, please escort the witnesses out of the Chamber. Thank you.

# **Report of Committee of the Whole**

**MR. SPEAKER:** Good evening. Can I have the report of Committee of the Whole, Mr. Bouchard?

MR. BOUCHARD: Thank you, Mr. Speaker. Your committee has been considering Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016; and Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015, and would like to report progress. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bouchard. Do I have a seconder to the motion? Mr. Blake.

---Carried

Item 22, third reading of bills. Mr. Clerk, orders of the day.

# Orders of the Day

**CLERK OF THE HOUSE (Mr. Mercer):** Orders of the day for Wednesday, October 29, 2014, at 1:30 p.m.:

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

- 10. Replies to Opening Address
- 11. Petitions
- 12. Reports of Standing and Special Committees
- 13. Reports of Committees on the Review of Bills
- 14. Tabling of Documents
- 15. Notices of Motion
- 16. Notices of Motion for First Reading of Bills
- 17. Motions
- 18. First Reading of Bills
- 19. Second Reading of Bills
- Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 25, An Act to Amend the Education Act
  - Bill 27, Miscellaneous Statute Law Amendment Act, 2014
  - Bill 29, Human Tissue Donation Act
  - Bill 30, An Act to Amend the Public Service Act
  - Bill 32, An Act to Amend the Pharmacy Act
  - Bill 33, An Act to Amend the Elections and Plebiscites Act, No. 2
  - Committee Report 7-17(5), Report on the Development of the Economic Opportunities and Mineral Development Strategies
  - Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016
  - Tabled Document 154-17(5), Supplementary Estimates (Infrastructure Expenditure), No. 4, 2014-2015
  - Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015
- 21. Report of Committee of the Whole
- 22. Third Reading of Bills
- 23. Orders of the Day

**MR. SPEAKER:** Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, October 29<sup>th</sup>, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 5:01 p.m.