



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

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**17<sup>th</sup> Assembly**

## **HANSARD**

**Wednesday, October 29, 2014**

Pages 5033 – 5072

**The Honourable Jackie Jacobson, Speaker**

# Legislative Assembly of the Northwest Territories

## Members of the Legislative Assembly

### Speaker

**Hon. Jackie Jacobson**

(Nunakput)

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*Persons with Disabilities*

*Minister responsible for Seniors*

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**Mr. Norman Yakeleya**

(Sahtu)

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Wednesday, October 29, 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 Justice, Mr. Ramsay.

**Ministers' Statements**

**MINISTER'S STATEMENT 109-17(5):  
NWT WELLNESS COURT**

**HON. DAVID RAMSAY:** Mr. Speaker: I am pleased to report that earlier this month the Territorial Court of the Northwest Territories launched the Wellness Court, supported by a new Department of Justice Wellness Court Program.

The Wellness Court is an alternative to conventional court that focuses on the offender rather than the offence. This court, and the supporting program, provides intensive supervision and targeted programming for chronic offenders who have mental health issues, addictions or cognitive challenges that contribute to their criminal behaviour. With this program we hope to help offenders develop a healthier life and move away from re-offending.

In a conventional court, a person who is charged comes before a judge who will look at the offence, listen to all the evidence and make a ruling based on the case and information before them.

In the Wellness Court, a person who is charged also comes before a judge, but their sentencing is delayed so that they can participate in the Wellness Court Program. In this program, a case manager and team provide intensive support and supervision to the offender as they work to make positive changes. The team helps them access services such as housing and income support as well as mental health and addiction programs.

To participate in the Wellness Court and its associated programs, the accused must be ready to make changes in their life, accept responsibility for their actions and plead guilty to at least one charge. The defense lawyer will work with the accused and the Crown prosecutor to see if the case can be

referred to the Wellness Court. If referred, a case manager will assess the accused to determine suitability with the program. If accepted, an individual wellness plan will be developed.

While completing their wellness plan, the offender must maintain this commitment to change and appear regularly before the judge who will oversee the entire process. During this phase, the case manager and team provide intensive supervision and support to the individual.

Offenders who participate in this program are subject to conditions to guide them. If they break these conditions, they will return to the court for sentencing unless they work with their case manager to remain in the program.

If they complete their plan, the offender will appear before the judge for sentencing, taking into consideration the work and progress they have made in the Wellness Court Program. After sentencing, the team will arrange after-care to ensure continued support for the offender.

Mr. Speaker, by having a person accept responsibility for their actions and supporting them as they do the hard work necessary for change, specialized courts in other jurisdictions have demonstrated chronic offenders can not only succeed but can successfully change their behaviours. We have seen success through the Domestic Violence Treatment Option Court, and we expect similar success from the Wellness Court.

The Territorial Court is critical in the implementation and operation of this specialized court. Without this, the Wellness Court and supporting program would not have been possible.

The department has also worked very closely with the Yellowknife Health and Social Services Authority and the Department of Health and Social Services in setting up the Wellness Court Program. The RCMP, Legal Services Board, the NWT Bar and staff from the Public Prosecution Service of Canada have also made important contributions.

Mr. Speaker, our thanks go out to each of these partners for the role they played in the development of this project and will continue to play to ensure the success of the Wellness Court. This is a new initiative and we expect that both the court and the supporting program will evolve over time.

Our government is committed to ensuring that NWT residents get the programs and services they need to be healthy, educated and self-reliant. This alternative form of justice is another positive step towards giving people the tools they need to make good choices for themselves that will help us to reduce crime and build safer communities. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Transportation, Mr. Beaulieu.

MINISTER'S STATEMENT 110-17(5):  
NWT TRANSPORTATION STRATEGY

**HON. TOM BEAULIEU:** [English translation not provided.] Mr. Speaker, building a safe and effective transportation system is vital to support the development of a sustainable economy and meeting the social needs of NWT residents. Goals identified by Members of the 17th Assembly express the significance of improving transportation services across the NWT to reduce the cost of living in communities and to create employment and business opportunities for residents.

To this end, the Department of Transportation is updating its NWT Transportation Strategy to guide further development of our integrated air, road, rail and marine systems over the next 25 years. I am pleased to report that we have made significant progress on this initiative.

The new strategy will update the first territory-wide multi-modal Transportation Strategy completed in 1990. Much has been accomplished in the 25 years since the first strategy was released and we know that our transportation system will continue to evolve significantly over the next 25 years. We are preparing for the future by considering what challenges and opportunities lay ahead of us and where our priorities are best placed to benefit all Northerners.

But our priorities can't be placed without first hearing from the people who live and work here. That is why the Department of Transportation has been busy this past summer and fall gathering perspectives on the transportation system from stakeholders across the territory.

In June the department launched an online survey that gave residents the opportunity to submit comments on transportation services and related areas, including support for economic development and protection of the environment.

Mr. Speaker, the strong level of public interest in our transportation network was evident. The department received over 500 responses to the survey from residents and other transportation stakeholders. I would like to thank everyone for their participation.

We also met with key stakeholder organizations from within the NWT and from southern Canada who conduct business in the North to hear their concerns and ideas. These meetings confirmed the strong role that transportation plays in supporting industries and organizations that provide essential services to our residents and contribute to economic growth for our territory.

The department also conducted interviews with NWT political leaders, including MLAs and Aboriginal leaders, to hear their thoughts on priorities for transportation in the North.

Staff from the department have read and reviewed every single one of the responses to the online survey. Those responses along with the information gathered from stakeholder meetings and interviews with political leaders will inform the development of the updated strategy. Other GNWT strategies, such as the Economic Opportunities Strategy and the Mineral Development Strategy, have been reviewed to ensure our government is focused and our priorities coordinated.

Mr. Speaker, managing the growth and development of all parts of the NWT's transportation system is essential to long-term and sustainable prosperity for our residents. A comprehensive multi-modal strategy that considers safety, the environment, economic development, and social needs alongside current and future infrastructure investment needs will be a critical tool for us.

Once the strategy has been drafted, we will again be calling upon residents to ensure that we have clearly heard and reflected their ideas. Public meetings will be held in regional centres this winter to review the draft and determine if there are additional priorities to consider. I encourage Northerners to take part with the same level of enthusiasm that we saw with the online survey and to once again ensure their voices are heard. Thank you, Mr. Speaker.

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

MINISTER'S STATEMENT 111-17(5):  
10-YEAR CULTURE AND HERITAGE  
STRATEGIC FRAMEWORK

**HON. JACKSON LAFFERTY:** Mr. Speaker, I am very proud of the Department of Education, Culture and Employment's work to promote and preserve the culture, heritage and languages of the NWT.

As a northern people, our culture is rooted in the land and created in the places where we live and practice our daily lives. Northern culture is unique, woven together from our diverse experiences and incorporates our heritage, stories, spirituality, traditional knowledge, languages and creativity.

Mr. Speaker, ECE is entrusted with the crucial role of ensuring our languages, culture and heritage are transmitted to future generations.

To ensure we fulfill that trust, ECE is developing a government-wide, 10-year Culture and Heritage Strategic Framework. This initiative will focus the GNWT's work around a set of common culture and heritage priorities for the next decade and was mandated by the Premier. Aboriginal governments, multicultural and heritage organizations, youth, elders, artists and many other partners will be involved in helping us develop the framework. A draft framework is scheduled for completion in the summer of 2015, followed by an action plan.

Mr. Speaker, our goal is not to duplicate strategies but find common themes between them that will let us better coordinate our efforts in many related areas. For example, the priorities identified in the NWT Arts Strategy will inform our work towards a broader framework. Likewise, we hope to work with groups like the NWT Arts Council and the Gwich'in Social and Cultural Institute to create a framework that builds on our individual efforts and supports our shared purpose of promoting NWT culture and heritage.

Mr. Speaker, as you know, one of our initiatives is the Culture and Heritage Circle, established in 2011 to recognize those who have contributed to preserving and promoting the arts, cultures and heritage in our territory. At a celebration earlier today, we honoured this year's recipients: Camilla Tutcho, Elder category; Rene Fumoleau: Individual; Janelle Nitsiza, Youth; Foster Family Coalition of the NWT, Group; and Deninu K'ue First Nation, Minister's Choice category. I look forward to recognizing the recipients in the gallery later today.

Congratulations to all of you and the valuable contributions you have made to the cultures and heritage of the Northwest Territories. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Item 3, Members' statements. The honourable Member for Sahtu, Mr. Yakeleya.

### Members' Statements

#### MEMBER'S STATEMENT ON SAHTU OIL AND GAS NEEDS ASSESSMENT – INVESTING IN THE LOCAL WORKFORCE

**MR. YAKELEYA:** Thank you, Mr. Speaker. The Sahtu got world-wide attention when major oil companies won exploration record bids for the vast hectares of land surrounding Norman Wells, Tulita and, recently, Fort Good Hope. To the Sahtu people, this area is our home and our land, but to most of the world it's a remote frontier region yet to be developed, waiting to be tapped.

Between 2012 and 2014, the Government of the Northwest Territories conducted a needs assessment to determine the employment needs and job opportunities related to oil and gas exploration and looked at its impact on government, business and other organizations in the Sahtu. The findings of the assessment are key to managing the resources we have and making sure the benefits go to our people. The Sahtu labour force is about 1,200 people, and just about two-thirds of them have jobs. If development goes ahead, there will be opportunities for rig workers, certified tradespeople and people with advanced technical and professional skills.

We need project managers, administrators, safety operators, cat operators, wildlife monitors, truck drivers and heavy equipment operators. Industry, business, government and other stakeholders all say the same thing: people need life skills and job readiness training, literacy skills, a driver's licence and a quality high school diploma in order to get jobs, and they need affordable houses and the lower cost of living to stay and work in the Sahtu.

The government needs to find ways to invest in developing the workforce in the Sahtu and all the Northwest Territories. We need to act on the findings of this assessment and create an environment that is good for all professional skill development, and we need to act now.

This statement is the first of a three-part series about the Sahtu oil and gas needs assessment. I want to challenge Members of this House and the people of the Northwest Territories to get ready for this development. Now is our chance to make the best decisions for the Northwest Territories and for the people of the Sahtu. Thank you, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON ABORIGINAL WELLNESS COORDINATOR AT NORTH SLAVE CORRECTIONAL CENTRE

**MR. HAWKINS:** Thank you, Mr. Speaker. For some time there hasn't been an Aboriginal wellness coordinator at the North Slave Correctional Centre, and it's been my understanding that this position has been vacant this summer as of June 3<sup>rd</sup>.

Being someone who is actually familiar with the Correctional Centre by working there only, I actually am familiar of how critical this cultural-appropriate programming is to the healing and rehabilitation of many. It's important that we have relevant programming that is meaningful for those who are seeking help. With this position vacant, people are not getting the treatment that they certainly need.

We need to be part of the solution for productive choices. This Aboriginal wellness coordinator

position is key to the success of many getting back into their lives, back into the world with the best step forward.

This programming, in my view, is certainly important and I hope the Department of Justice sees it as well. So, it is important in some views, because from the latest information I've received, it was important enough for the department to build a spiritual lodge that they built some time ago, a woodshed that's also a sweat lodge, fire feeding and talking circle and even a gazebo. Wow! Who thought that would be so hard to say? Even a gazebo, Mr. Speaker.

When it comes to corrections, the judiciary has already sentenced them, so the state has passed judgment. So what I'm saying here is let us not pass further judgment by not giving people the appropriate supports and programs they need.

The system has chosen which path they need to take, but it's certainly our duty to ensure that they receive the help that they need. If we expect them to return to society properly, we must ensure we give them every chance and every skill through productive choices. I believe this counselling is important, if not absolutely critical, to help them on the right path.

Again, as I remember working there in the centre, many people benefitted from this. I'll be honest; not everyone does, because not everyone believes in it. But for those who suffer from mental illness, to addictions, to anger management things, these are the types of supports that are critical to help them back on the path.

We cannot give up; we should not give up. I believe in the hope that this program gives. I certainly hope the department and I certainly hope the Minister feels exactly how I feel too. Thank you, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON WILLOW RIVER ALL-SEASON ACCESS ROAD

**MR. BLAKE:** Thank you, Mr. Speaker. Over the last number of years, we have been lobbying for an all-weather road to Willow River gravel source in Aklavik. I would like to thank the department for their contributions over the years. Last year the community received enough funds to purchase a bridge for Willow River, which is now located in Inuvik.

By January, the plans are to haul the bridge to the site at Willow River and, with adequate funding, put the bridge in place for use in the future.

Mr. Speaker, the community would like to shift the focus from an all-weather road to an all-terrain vehicle trail to be used by the community members,

which can be made wide enough for a winter road during the winter months, Mr. Speaker.

I will have questions for the Minister later today. Thank you.

**MR. SPEAKER:** Thank you, Mr. Blake. The honourable Member for Nahendeh, Mr. Menicoche.

#### MEMBER'S STATEMENT ON INDEFINITE POSTPONEMENT OF GAMETI AND WRIGLEY RCMP DETACHMENTS

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. On Monday, October 27, 2014, the Minister of Justice said, in a CBC interview, that the Gameti and Wrigley RCMP detachments are postponed indefinitely. Seven years ago there was a commitment that the GNWT would build new detachments in those communities. As MLA for Nahendeh and the community of Wrigley, this is shocking news for me and my constituents.

This session we are deliberating and debating the capital plan for the GNWT. I believe that at the very least these two detachments be included in our 20-year capital needs assessment plan. I can't see how this could be overlooked, especially when the needs are great and we made the business case for the establishment of the RCMP detachment. Even residents in our small communities deserve the full attention of public safety. Statistically, these two communities get plagued by crime. The early lobbying efforts did pay off. We did get dedicated RCMP officers in the regional centres to make regular and almost weekly visits. Residents were awaiting the full-time service.

Also in Wrigley, I made the case that with the return of the RCMP officers and detachment to Wrigley, the certainty of full-time nursing was guaranteed.

I will have questions for the Minister at the appropriate time, Mr. Speaker. Thank you.

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

#### MEMBER'S STATEMENT ON IMPORTANCE OF COMMUNITY INVOLVEMENT AND SERVICE

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Okay, I've got two and a half minutes here.

---Laughter

At this time of year, I sometimes turn my mind towards the anniversary of when I came to Hay River. It was November 4<sup>th</sup> forty years ago this November when my parents took me to the Union Station in Toronto and dropped me off. I arrived in Hay River on November 7<sup>th</sup> and the next day I turned 18, so you do the math.



Mr. Speaker, I chose Hay River and I have to tell you I didn't have any post-secondary education and I wasn't a great student. I was not voted the most likely to succeed when I left my high school, but I came to Hay River and what I did find was a community of people that didn't wear their position, their wealth, their education or their achievement like a badge, much like the community where I had grown up, unfortunately.

Before long, I had three jobs. The morals and values instilled in me by my upbringing by my parents kept me on the straight and narrow, so I didn't waste any time being bad. It wasn't long before I found all kinds of things to help out with in the community. Community service is like any other kind of service. You see a need, and if you can help, you help. I'm not going to list off my biography here today, but let's just say there were many opportunities everywhere to get involved in the life of a small town.

I'm here to say that opportunities to help, to get involved, to serve are everywhere if you choose to see them. When I hear about people's aspirations to get involved in elected leadership campaign, schools, et cetera, may I be so bold as to suggest that the best way to know the issues to know your community, to learn about leadership, is to serve. You know that saying that says, sing like no one's listening and you'll sing in the shower like no one's listening. I say, serve like no one's watching. It's the best training ground for leadership. It helps you, it helps others and the job openings are endless.

I made a decision at that young age of 17 to come north, my home for the last 40 years. I have absolutely no regrets whatsoever. As we embark on this final year of this Legislative Assembly, the 17<sup>th</sup> Legislative Assembly, people will be turning their minds towards coming elections and whether they would like to serve, and I just challenge them. If you want to be a leader, serve, get involved in your community in any way you can. It will stand you in good stead for everything you do. Thank you.

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

#### MEMBER'S STATEMENT ON INVESTING IN THE NWT FILM INDUSTRY

**MR. BOUCHARD:** Thank you, Mr. Speaker. Later today in Hay River there will be a group of people getting together for the sixth season premiere of Ice Pilots, Mr. Speaker.

---Applause

I would like to give congratulations to Mike McBryan, who's idea it was to get history on board and presented this to them over six years ago. I would like to congratulate the McBryan family, Buffalo Airways.

It's been six years, Mr. Speaker, and we're going to see the repercussions of this film and TV show for years to come. We know this program is being launched in many different countries. Some of them are starting back with episode one just this year. We're going to continue to see, my colleague and I, when we travel on Buffalo Airways, people from all over the world who come to see Buffalo Airways to see a DC-3 and be able to fly on one, Mr. Speaker.

This is just one of the opportunities that have been created by the film industry in the Northwest Territories. Last month my colleague Mrs. Groenewegen and I were able to attend another premiere of Andrew Stanley's 10-part series on trapping in the Northwest Territories. We have great benefits from this film industry and we need to continue to invest in the film industry. It will promote the North; put the North on the map in Canada and throughout the world.

Later on I will have questions for the Minister of ITI and where we're going with the film industry support. Thank you, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON ESTABLISHING AN OFFICE OF THE OMBUDSMAN IN THE NWT

**MS. BISARO:** Thank you, Mr. Speaker. Three times in the 16<sup>th</sup> Assembly I spoke in this House for the need for the NWT to have an impartial arbiter, an ombudsman, to assist our residents with a dispute or a disagreement so they can avoid having to go to court to settle it.

The NWT is one of only three jurisdictions in Canada without one. This year, after much work by committee and staff, the Standing Committee on Government Operations on June 5<sup>th</sup> released a report which outlines the pros and cons of establishing an ombudsman office in the NWT. Such an office would act as an independent, impartial office with powers to investigate complaints of government wrongdoing from members of the public.

The standing committee report determines that public need for an ombudsman outweighs concerns about cost and it cites devolution as a major new development. Let me quote a few passages from the report. "Never before has the territorial government been more complex or sophisticated. Never before has the need for an ombudsman been greater," the report states.

The report goes on to say, "The sheer number and complexity of the various tribunals and processes can contribute to citizens' perceptions of powerlessness and unfairness."

Mr. Speaker, an NWT ombudsman office would likely not have any powers to reverse government

decisions, but it would be an avenue of last resort for the public, one that is impartial, free and easily accessible, as stated in the report.

That report was an important first step to ignite a proper debate on this issue. The concerns about expense and bureaucratic complexity need to be weighed against the need for a one-size-fits-all office of appeal.

Lastly, Mr. Speaker, I provide some food for thought. The following is a quote from Chief Justice Milvain of the Supreme Court of Alberta in speaking about the 1970 Alberta Ombudsman Act. "As an ultimate objective, the ombudsman can bring to the Legislature his observations on the misworking of administrative legislation. He can also focus the light of publicity on his concern as to injustices and needed change. He can bring the lamp of scrutiny to otherwise dark places, even over the resistance of those who would draw the blinds. If his scrutiny and observations are well founded, corrective measures can be undertaken in due democratic process, if not, no harm can be done in looking at that which is good."

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

---Unanimous consent granted

**MS. BISARO:** That is an excellent description of what an ombudsman can do, and I invite Members in this House and members of the public to provide their input on the need for an ombudsman. There will be a public town hall meeting this coming Monday, November 3<sup>rd</sup>, in the Great Hall here in the Legislative Assembly, 7:00 p.m. I invite all members of the public and these Members to come and provide their views and hear what the ombudsman from Ontario has to say. Thank you.

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

#### MEMBER'S STATEMENT ON BREAST CANCER AWARENESS MONTH

**MR. NADLI:** Mahsi, Mr. Speaker. October is Breast Cancer Awareness Month. In the NWT the number of people with breast cancer is in the hundreds. Of all NWT women diagnosed with cancer, over one-third have breast cancer. Nationwide, this type of cancer will affect about 11 percent of women during their lifetime.

The Canadian Breast Cancer Foundation encourages everyone to practice breast awareness, to know how your breasts normally look and feel so that you notice any unusual changes early and discuss your concerns with your health care provider.

Over the past 20 years, survival rates have steadily improved. The reason is early detection and better treatment. In Canada the five-year survival rate for

breast cancer is 88 percent. So that's very good news. On the downside, Aboriginal women are less likely to be screened for breast cancer. So, in terms of reaching Dene, Inuit and Metis women, there's room for improvement.

Screening is the very best way to identify cancer at the early stage, so increasing the proportion of Aboriginal women who receive mammograms is crucial for improving public health.

Another downside is the popular myth that men don't get breast cancer. In fact, men can develop breast cancer. Of course, the risk is very low, but breast cancer in men isn't well-understood and is stigmatized. Men often feel embarrassed about a breast cancer diagnosis because it's thought of as a woman's disease. Men should be encouraged to discuss any unusual changes in their breasts with their health care provider.

Underlying all of this is one basic fact: lifestyle plays the biggest casual role in the development of breast cancer. Things like the quality of a person's diet, how much exercise they get, whether they smoke and how much alcohol they consume. So, a double-barreled strategy is required. On the one hand, proper screening and, on the other hand, long-term prevention efforts through improved lifestyle.

At the appropriate time, I will have questions for the Minister of Health and Social Services. Mahsi.

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

#### MEMBER'S STATEMENT ON RECREATIONAL LAND LEASING POLICY

**MR. BROMLEY:** Thank you, Mr. Speaker. At long last, through their locally elected representatives and the government they direct, the people of the Northwest Territories have control over Territorial lands. The Land Minister's recent announcement of his intent to develop a recreational leasing policy, perhaps even with teeth, is welcome.

In the absence of a transparent and publicly reviewed process on recreational leasing in the past, the public has been seeing ongoing loss of the commons, rewards to those who occupy lands illegally, a helter-skelter policy of leasing by the federal government and the turning of a blind government eye with lack of resources, intent or commitment to enforce either law or regulations on recreational land leases. Those following government rules have been penalized with no access to land.

Not surprisingly, the public has questions. Given past trends to the contrary, will there be a clear and transparent process that provides equal and fair opportunity for access to all? The Minister has recognized the unique role of Aboriginal governments and committed to ensuring Aboriginal governments the clear opportunity for reserving

land. Will the general public have an equal opportunity for input on the protection of the commons for everyone?

Closely related, there's a huge ongoing gap between the fact of a moratorium on leasing and its enforcement. Constituents report an ongoing and frequent illegal occupancy of land by squatters, yet despite having lists of legal leases, the department has no complete inventory of occupancy, legal or illegal, on Territorial lands, and the Minister has told me he can't possibly afford to do one. Given this, some other cost-effective method is needed to build the inventory required for land management.

I suggest that the public has the motivation, the ability and the GPS technology, everyday technology now, to contribute coordinates of land occupants in almost all areas of interest. Lands could easily accept these reports, cross-reference them to existing legal leases and compile a comprehensive list of sites to inspect and establish legitimacy of occupancy. Squatters could then be dealt with. We can't manage what we can't measure. We need an inventory.

Despite raising these issues repeatedly in the past, and commitments he's recently made, the Minister's plans on these issues remains unknown. Government's failure and...

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

---Unanimous consent granted

**MR. BROMLEY:** Government's failure to listen to the public has slowed the process tremendously and caused expensive and repeated re-workings of policy that never got implemented. The people on the land suffer the consequences, and we know it is expensive as well. There is an opportunity to do better, and I know this Minister has good intentions. It will require full participation of my colleagues and the public to achieve that.

Mr. Speaker, I will have questions. Mahsi.

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

#### MEMBER'S STATEMENT ON PROCEEDS OF CRIME LEGISLATION

**MR. MOSES:** Thank you, Mr. Speaker. I have stood up in this House many times to talk about drug dealers and the bootleggers in the communities and what this government is doing to curb the activity and the harm that they do to our residents of the Northwest Territories.

I want to take it one step further today and I want to talk about what this government is doing in terms of creating a proceeds of crime legislation, such as a Civil Forfeitures Act, like the provinces of BC, Alberta, Saskatchewan, Manitoba and Quebec. What this act would do is freeze, take possession of

or forfeit any property that's used in these illegal activities. We can freeze buildings, businesses where some of these activities are taking place, take over skidoos, boats, vehicles that are used in transportation of drugs or alcohol.

I would like to, at this time, also commend what the RCMP and the people of the Sahtu are doing in terms of all these drug busts and also with the seizure of all the bootlegging and all the alcohol.

Mr. Speaker, I want to share some statistics with you in terms of what's happening in some of the other jurisdictions. I found a nice report here. In Ontario, from November 2003 to July 2007, in 170 cases \$3.6 million in property was forfeited, \$11.5 million in property frozen, \$1 million distributed to victims and more than \$900,000 awarded in grants to help prevent victimization.

The assets that would be forfeited could go to compensating these victims, compensating businesses, compensating the community. It could go into grants such as for community programs. It could go to students who are trying to go to school. It can be given out as donations.

Like I said, I have stood up in this House many times and talked about the bootleggers, drug dealers and the harm that they do to our communities. I want to see this government take that one step further and look at creating legislation so that the bootleggers and drug dealers who continue to do these types of crimes, we can start taking their assets so that they don't have that opportunity to transport alcohol to the communities or transport drugs to the communities. I want to know what this government is doing to disable these types of things that are going on in the communities. Thank you.

**MR. SPEAKER:** Thank you, Mr. Moses. Member for Range Lake, Mr. Dolyunny.

#### MEMBER'S STATEMENT ON MEDICAL TRAVEL POLICY

**MR. DOLYNNY:** Thank you, Mr. Speaker. The Medical Travel Policy was first established almost 25 years ago, so without question, it is in dire need of modernizing. In essence, we need a more responsive and effective way to manage this program.

Since 1998, when there was a proposed attempt at revisions, and since then, the department and all past governments have failed to live up to this obligation of change, and even went as far as to mislead the Auditor General of Canada in a 2010 report in promising immediate change.

This policy has not been transparent or accountable to the public or to Members of this House. There has been no attempt at revisions for this policy to have the proper recording mechanism or an effective appeal process for its users. In several

reviews there was a cited need and recommendation of a standard NWT operating manual, yet this has fallen to the platitude of reigning leadership over the years.

Finally, there has been an overall lack of monitoring of the administration of the program, and this gap has been clearly established in several reviews and yet nothing has been done.

Where has been the accountability and transparency for the people it serves? It is abundantly clear, we are facing a wall of worry in our finances and we need to make and take every opportunity to streamline our services and to facilitate the modernization in patient care.

Mr. Speaker, I ask you again, where is this government on containing the ballooning costs of medical travel and creating efficiencies for our residents? Will this be another failed year of this department's lack of effort, or will you finally see this promise fulfilled?

I leave this to its Minister and to its department to answer for the House and for the people. Thank you, Mr. Speaker.

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

### Recognition of Visitors in the Gallery

**HON. JACKSON LAFFERTY:** Mahsi, Mr. Speaker. I'd like to recognize some of the recipients of this year's Culture and Heritage Circle Award here with us in the gallery, along with their guests as well.

First is Rene Fumoleau who is here with us in the Individual award category, along with his guest, Pat Braden. The Elder award is Camilla Tutcho with a guest of Tina Tutcho. Also, in the Youth category, Janelle Nitsiza with her grandma, Dora Nitsiza. The Group award category is the Foster Family Coalition of the NWT. Attendees are Nicole Garbutt and Mary Richardson who are here with us. The Minister's Choice Award, of course, goes out to Deninu K'ue First Nation. That's Stanley Beck who's here with us. Along with him, we have Karen Wright-Fraser who's here from our department.

Once again, I'd like to say mahsi for your contribution and thanks for making a big difference. Mahsi cho.

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

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. I'd like to recognize the mayor of Aklavik, president of the NWT Association of Communities, Mayor Charlie Furlong. I'd also like to recognize Karen Wright-Fraser, whose family is originally from Aklavik. So, welcome to the gallery. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Mr. Beaulieu.

**HON. TOM BEAULIEU:** Thank you, Mr. Speaker. I would like to recognize a couple of Tu Nedhe residents here with us today. They are here for the Cultural and Heritage Awards from the Minister. Rene Fumoleau was awarded the Individual award. He's from Lutselk'e. Representing the Deninu K'ue First Nation with the Minister's Choice Award is my cousin Stanley Beck. Thank you.

**MR. SPEAKER:** Thank you, Mr. Beaulieu. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Speaker. I too would like to recognize Mr. Charlie Furlong, mayor of Aklavik, who has also been working on the Willow River project; and also Karen Wright-Fraser. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Blake. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Speaker. I would like to recognize the recipients of the cultural awards and especially the recipient from Deline, Ms. Tutcho, along with Miss Tina Tutcho. They are living cultures of the Sahtu, so I want to say congratulations to the staff who put this together.

I'd also like to recognize the mayor from Aklavik, and also a friend of my mine who I haven't seen for a while, Mr. Stanley Beck. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Mr. Moses.

**MR. MOSES:** Thank you, Mr. Speaker. I'd like to recognize Karen Wright-Fraser and I'd also like to recognize all of the Culture and Heritage Award recipients and their guests. Good job, keep up the good work, and also Mr. Charlie Furlong. Welcome, everybody, to the House and I hope you enjoy the proceedings.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. It is also my pleasure to welcome certainly all of the Culture and Heritage Award recipients to the House, a very distinguished bunch of Northerners.

I'd like to in particular recognize a few people today: Weledeh constituent Pat Braden, and also Nicole Garbutt and her parents, John and Patti Garbutt of Weledeh.

I'd also like to recognize Janelle Nitsiza, who gave some very passionate words in response to her award today that touched many people, I know. I would like to recognize, in particular, her family who was there in support. Again, in particular, her grandmother, Dora Nitsiza, a friend of mine – I worked with her in the past with the Whati project – a very respected elder. Again, elder Rene Fumoleau from Lutselk'e. I was very pleased to

have lunch with a number of the recipients and their families today, so I appreciated that opportunity. Welcome to the House. Mahsi.

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

**MR. HAWKINS:** Thank you, Mr. Speaker. I too wish to recognize Karen Wright-Fraser. She's certainly a well-known lady to all of us and I've known her for a long time. She deserves much credit for what she does as an artisan. She's put many devoted hours into supporting her culture and demonstrating it through her beautiful designs. Now, I don't know if she continues to practice the same amount – she used to have the store – but I know she's busy on a personal level, and that is keeping the culture and history alive for the Gwich'in people. We're lucky to have people like her, ensuring that it's alive, it's strong and it will be there forever. Thank you very much, Karen.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. I would also like to recognize Mayor Furlong today. We've listed off some of the things that he has served the North and in what capacity he has served the North for many years, but I particularly want to thank him today for the time he took to make his film to share his own journey with cancer and that they shared that with other Northerners so they would be aware.

One little funny story, when I first met the mayor and I was introduced, he said his name was Charlie, but Charles Furlong. So I'd like to welcome Charles Furlong in the gallery today. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dolynny.

**MR. DOLYNNY:** Thank you, Mr. Speaker. I'd like to introduce to you and through you, as we've heard today, we have a number of recipients for the cultural and heritage awards. Thank you for sharing your incredible stories. We heard a lot of that today in the House. Of course, Mayor Furlong, it's always a pleasure to have you with us here. Again, congratulations on your long journey as a cancer survivor.

I have two other people here who I'd like to recognize, one who I worked with for a number of years, Ms. Nicole Garbutt. It was a pleasure working with you for many years in the business sector. Many times in this House I have the pleasure of wearing some very beautiful traditional clothing, my moose skin jacket and my vest, and that's complimentary to the great artisan work, as we heard earlier, and beadwork of the lovely Karen Wright-Fraser.

**MR. SPEAKER:** Thank you, Mr. Dolynny. I too would like to welcome Mayor Furlong to the House.

It's always good to see you, Charlie. I would like to welcome my good friend Stanley Beck. We have good visits over at Grant's house when we're running dogs during the winter. Welcome to the House, everybody. Thank you for taking an interest in our proceedings.

Item 6, acknowledgements. Item 7, oral questions. Mr. Blake.

## Oral Questions

QUESTION 462-17(5):

### FUNDING FOR THE WILLOW RIVER BRIDGE

**MR. BLAKE:** Thank you, Mr. Speaker. As I mentioned in my Member's statement, over the last year the community received enough funds to purchase a bridge to put in place at Willow River.

Will the Minister work with the community to ensure funds are available and the bridge is in working order this year? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Blake. Minister of Transportation, Mr. Beaulieu.

**HON. TOM BEAULIEU:** Mahsi cho, Mr. Speaker. Yes, we have been working with the community. We approved a substantial chunk of the Access Program money for the purchase of a bridge that will span the Willow River, and now we are reviewing a proposal for an ATV trail and also a proposal for the insulation of the bridge. Thank you.

**MR. BLAKE:** Mr. Speaker, a portion of the trail that's being put forward is a route through the biggest road, which is the route to the Willow River. This road has been eroded over the last number of years and we need to haul in the material that's required, which is RipWrap, to secure the stability of the road.

So, will the Minister provide funds to complete this work? Thank you.

**HON. TOM BEAULIEU:** Mahsi cho. We have supported the road recently and we, at one time, had requested infrastructure stimulus funding through the federal government. Unfortunately, that was denied. We recognize that the community needs that road. It's got huge benefits to the community as it would ultimately run to a gravel source. The full cost of that road to make it accessible for hauling would be \$90 million. It's fairly substantial. So we recognize that we may have to go outside of just a simple Access Roads Program in order to continue to fund this and produce that road in a decent time.

So, as I indicated, we will continue to work with the community in an attempt to build that road. Thank you.

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

QUESTION 463-17(5):  
ANALYSIS OF THE  
SAHTU NEEDS ASSESSMENT

**MR. YAKELEYA:** [Microphone turned off] ...and I understand the needs assessment is completed.

I want to ask the Minister of Education, Culture and Employment, what are the priorities and what plans are there to implement the priorities within the Sahtu needs assessment that he found over the past year? Thank you.

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

**HON. JACKSON LAFFERTY:** Mahsi, Mr. Speaker. Yes, the needs assessment has been completed and there's been a lot of work by the stakeholders providing input into the workforce environment that will be required in the Sahtu region.

At the same time, there are various stakeholders like industry and representatives of the college. That is some of the work that now we need to figure out, okay, how can we move forward developing action plans towards producing those talented individuals from the community perspective. Mahsi.

**MR. YAKELEYA:** Certainly the Sahtu is looking for partnerships and is interested in the how's and the action plan. So I'm asking the Minister, what is the department doing to enhance the findings of life skills? It was a top priority in the needs assessment and job readiness in the Sahtu.

What is the Minister doing to look at some of these priorities as indicated by the needs assessment in telling us this is what's needed? What is he doing?

**HON. JACKSON LAFFERTY:** Mahsi. When the Member first introduced what's required at the community level, that's been identified, like heavy equipment operators. There are rock crushers, blasters, project management and various other trade positions as well. We are currently dealing with the college on the best way to deliver that at the regional level, even at the college campuses.

Those are just some of the areas that we are currently discussing, and based on that, we will be developing an action plan to deal with the implementation of the first year, second year, third year phased approach. Mahsi.

**MR. YAKELEYA:** Thank you. The Minister has indicated that they're developing and they're going to be looking at ways they can implement these programs. I would like to ask the Minister for some time frames, knowing the limited time we have left in the 17<sup>th</sup>. So I'll ask that question. The employers need people to get valid drivers' licences. It's something that's been repeated in the needs assessment.

Will the department consider working with the Department of Transportation to assist people in the remote communities to go get drivers' licences and other qualified drivers' training programs?

**HON. JACKSON LAFFERTY:** Mahsi. Not only the Sahtu region but we've done that in other regions, as well, other communities where there's a high demand of individuals that need to retain or even go after a driver's licence, whether it be a Class 5, Class 3, Class 2, or Class 1. There is interest in the communities. Obviously, there will be a proposal submitted to DOT along with ourselves, Education, Culture and Employment, because we do have some funds to offset the costs, as well, working with the stakeholders, the steering committee that has been established. So, yes, I will be working very closely with the Department of Transportation when a need arises pertaining to drivers' licences. Mahsi.

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

**MR. YAKELEYA:** Thank you, Mr. Speaker. We have an urgent and emergent need for drivers' licences in the Sahtu. It is one of those issues right now facing us, but I will do that another time.

I want to ask the department what they are doing to make aware the career opportunities in the resource sector.

What type of career counselling is happening at the college, happening at the schools, happening in the communities? What is the department doing?

**HON. JACKSON LAFFERTY:** I'm glad the Member is raising the profile because it is very important to have a career development officer in the communities. They are our partners as well. They are there to make some community awareness of where individuals should be aspiring, whether it be very successful entrepreneurs, in the technician area, or other professional fields in their community. Those are the individuals that we will continue working with, and other support groups. The stakeholders are very key and also very interested and part of the solution as well. Those are some of the stakeholders that we will continue to work with in developing these action tools for the communities of the Sahtu region. Mahsi.

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

QUESTION 464-17(5):  
NORTH SLAVE CORRECTIONAL CENTRE  
VACANT POSITION FOR  
ABORIGINAL WELLNESS COORDINATOR

**MR. HAWKINS:** Thank you, Mr. Speaker. I want to use today's question period opportunity to talk about the North Slave Corrections Centre. The information provided by the department said the position for the Aboriginal wellness coordinator has been empty since June 3<sup>rd</sup>. This is a vital position

that provides much needed services and strengths and supports to those seeking rehabilitation.

I would like to get an update from the Minister today. Has this position been filled, and if it has been, when, and if it hasn't been filled, what's the plan for the department to ensure the rehabilitation efforts are being supported by those who want to help and certainly those who need the help? Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Minister of Justice, Mr. Ramsay.

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. The position has been vacant since June of 2014. We had run a competition and offered an individual the position. They subsequently turned the position down. We are in the process of looking at filling that position now on a casual basis until we can find a permanent person to fill that position. Thank you.

**MR. HAWKINS:** Thank you, Mr. Speaker. I actually know one person who had applied for this position and I certainly would have felt that they would be very qualified for it. My understanding is that they were either screened out or, for whatever reason, they weren't interviewed, and of course, as the Minister says, the position is empty today.

This role is very vital to the health and certainly the well-being of these inmates who we want to be returned to the public with the best opportunities before them. Mental health and cultural health are all critical, important parts. We have invested approximately \$200,000 into this area to ensure we can provide these opportunities.

Can the Minister explain to me: Have any of these opportunities for people getting this type of health and wellness been restricted by the lack of services that this government has been unable to provide people since June 3<sup>rd</sup>? Thank you.

**HON. DAVID RAMSAY:** Mr. Speaker, the Member makes it sound like we are not offering any services at North Slave Correctional Centre when it comes to spiritual and cultural health. We have elders that come to the facility that do sharing circles with the inmates, and we do that. We just don't have, on staff, a permanent position. The coordinator position has been vacant, as I mentioned, since June, but that's not to say that the centre isn't still providing those types of opportunities for inmates that are at North Slave Correctional Centre. Thank you.

**MR. HAWKINS:** Trust is a very difficult thing to build. It takes experience and it certainly takes a relationship. I am glad we have some elders coming in, but it's not a permanent solution.

What efforts are being made to permanently fill this position, because it is critical for the well-being and rehabilitation of inmates who need this vital service. Thank you.

**HON. DAVID RAMSAY:** The department and the North Slave Correctional Centre are making every effort to fill this position. Thank you.

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

**MR. HAWKINS:** Mr. Speaker, I'd hate to waste a question by asking, what does that mean?

Is the Minister running a competition right now? Is he looking for someone? Not personally, obviously. What are they doing in the context of finding someone on a permanent basis? If he wants, I can give him names of qualified individuals who could certainly fill this role. But it's not my job to be a human resource officer; I'm an MLA.

So, the bottom line is, I want to know exactly what actions have been done to fill this position permanently. Thank you.

**HON. DAVID RAMSAY:** I'd be more than happy to go back to the department to get the Member an updated list of things we've done, what we're doing to fill that position and when another competition to fill it permanently will take place. Thank you.

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

#### QUESTION 465-17(5): RECREATIONAL LAND LEASE POLICY

**MR. BROMLEY:** Thank you, Mr. Speaker. My questions today are for Minister R.C. McLeod. I was pleased to hear, earlier in the session, that the Department of Lands has instituted a moratorium on new recreational leases until a new made-in-the-NWT lands framework is developed. However, this does not address the unauthorized structures and land occupancy that has sprung up in the intervening vacuum.

What plans does the Minister have to address the proliferation of illegal structures we see already built and continuing to be built on public Territorial land? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Bromley. Minister of Lands, Mr. McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. We've received a number of complaints from citizens out there as to citizens hauling material out. We did some follow-up, and in most cases, these were leases that were let. They have up to three years to put a structure on there. So most of them checked out and they had legitimate leases.

But for those that are squatting on Territorial land, as we call it now, we will take action against them. I think we've got 12 cases in the hopper right now that we're working on, and as we continue to get more reports of people squatting out there, we will

go and investigate. If we have to, we will investigate and pursue it further. Thank you.

**MR. BROMLEY:** I appreciate the Minister's commitment there. Devolution certainly gave control of most of the lands of the NWT to the territorial government, but control is more than writing regulations – they sound good on paper, obviously – it is also having the ability and the will the Minister has expressed to enforce them. Unenforced regulations might as well not exist, as we've learned from our federal management experience.

What resources, money and people does the Minister plan to put into addressing the burgeoning enforcement issue in relation to these new regulations? Mahsi.

**HON. ROBERT MCLEOD:** Before devolution, in recognizing some of the situations that we were facing, we had actually helped our enforcement division within Municipal and Community Affairs to deal with some of these. Since devolution and all the folks we got over from AANDC and the number of people that we brought on board, our enforcement division is a lot larger now. As for the exact numbers, I'd have to get those to the exact dollar figures. I would have to get those.

But I made a commitment to Members during briefing that we are committed to dealing with the squatting issue out there, and if we have to increase our enforcement and the money that we put into it, then that's the route we will take. Thank you.

**MR. BROMLEY:** Thanks to the Minister. Just driving out to Behchoko, I estimate perhaps 100 cases of land occupancy en route. I have no idea how many are legal or not, but the last time I looked there were two leases between Yellowknife and Behchoko.

The Department of Lands has no inventory of illegal structures on Territorial land, of which we know there are at least dozens, possibly hundreds, despite their mandate, and a list of the legal structures in place through leases. It would seem easy enough to develop such an inventory, identifying all the structures and subtracting the ones which we know – the Minister would know having issued them – are legal leases.

How does the Minister propose to even begin enforcing newly minted regulations if we have no idea who is flouting them? Mahsi.

**HON. ROBERT MCLEOD:** We have a pretty good idea of the numbers out there and names that are attached with them. We had over 550 personal and recreational use leases that came over from AANDC, not including the ones we had in MACA, which wasn't that large of a number. We also know of fewer than 200 documented unauthorized users. So we know those numbers right now and we'll

work off those numbers as we work to complete our inventory of all land occupancy across the Northwest Territories and Territorial land and we will update our numbers again.

I've committed to provide updates to committee on a regular basis on the work we are doing. We do have some numbers and names that go with the numbers. Thank you, Mr. Speaker.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. Thanks to the Minister. I'm hearing something different than I heard recently, that we don't have an inventory and we can't afford to make one, and that we have some indication of what's legal, and that's upwards of a couple hundred of unauthorized land users.

The Minister has indicated the mechanism for members of the public to report suspected squatters when they come across them in their travels across our commons is a worthwhile action, in my communications with the Minister. Such a simple instrument of capturing public capacity should be operational today in order to provide important perspectives on illegal occupancy during the development of regs and help prepare for the enforcement the Minister declares is forthcoming.

Why have we not heard about a way to incorporate the straightforward participation of the public enveloping such an inventory and when and how will the public learn about this initiative? Mahsi.

**HON. ROBERT MCLEOD:** The public plays a great role in helping with the inventory. As I mentioned before, we do get a number of calls from the public, identifying or questions that they might have to someone's occupancy. Sometimes we are able to satisfy their inquiry, and in some cases we find out it may be somebody that's illegally on that land, so we will act on that.

There is an opportunity for them to call our department. I think we made it available on our website. We have developed a communication plan that we want to share with the public to let them know what they can do as far as reporting and having their input into the whole recreational leasing policy framework that we want to do. We have a communication plan and we will work with the Members and have this plan go public, so they have an idea of what we're doing and where they can go for their input. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Nahendeh, Mr. Menicoche.

QUESTION 466-17(5):  
INDEFINITE POSTPONEMENT OF GAMETI  
AND WRIGLEY RCMP DETACHMENTS

**MR. MENICOCHÉ:** Thank you very much, Mr. Menicoche. Earlier in the day I spoke about being



upset about the RCMP detachments in Gameti and Wrigley being postponed indefinitely. I'd like to ask the Minister of Justice, what is the nature of our new contract for RCMP services with regard to infrastructure? Thank you very much, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Minister of Justice, Mr. Ramsay.

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. Back in 2007, when it was contemplated about building detachments in Gameti and Wrigley, we were under the old policing services contract. The federal government was responsible at the time for capital costs of new detachments in the Northwest Territories. In 2012 we signed a new Police Services Agreement where the Government of the Northwest Territories was 70 percent responsible for those same capital costs. Back in May of 2012, my predecessor at the Department of Justice, Minister Abernethy, had written a letter to yourself outlining the changes in the new policing services that we have, the agreement we have with the feds, and outlined we are in a different set of circumstances when it came to new detachments in the Northwest Territories. That was outlined in that letter, Mr. Speaker. Thank you.

**MR. MENICOCHÉ:** I would like to thank the Minister for that clarification. The needs are still there, Mr. Speaker.

What is the plan to ensure that Wrigley and Gameti RCMP detachments make it on the 20-year capital needs assessment? How can the Minister and what can the Minister do to ensure it at least makes that 20-year capital plan?

**HON. DAVID RAMSAY:** We'd have to continue to work with the RCMP on making that determination. When I was recently in Gameti last week with Minister Lafferty, we discussed ways to enhance the level of service for the community of Gameti. We are very much interested in looking at ways the RCMP can continue to work with the leadership and community members across the Northwest Territories on community policing plans, identifying priorities in the community that are important to the leaders and the members in that community and carrying out the work of the RCMP in those communities where we can enhance services, and that's what we talked about with the residents and the chief there last week, how we could enhance and look at possibilities of enhancing service.

I understand the members that are based out of Fort Simpson service the community of Wrigley on a weekly basis and overnight in the community a couple nights a week. We need to continue the dialogue with the community of Wrigley and, Mr. Speaker, if the Member likes, like I did in Gameti, we had an opportunity to go there and explain to the leadership of the community what we were doing with the RCMP and the department of Justice in providing that service to the community to the

best of our ability. I'd be more than happy to travel to his community of Wrigley to explain that to Wrigley as well. Thank you.

**MR. MENICOCHÉ:** I would certainly welcome the Minister to the riding and we can work on something about that.

The news article also spoke about these facilities costing about \$11 million to \$13 million. I think in 2007, when we were discussing the possibility, we were looking at a portable and a much smaller facility. At least it had a holding cell when the RCMP were there.

What kind of facility and what kind of plans is he talking about if he wants to spend that much money for a facility? It seems quite excessive for the needs of the community. Thank you.

**HON. DAVID RAMSAY:** A new detachment does come with a lofty price tag. That's why, with the resources that we do have, we have to try to find a way of moving forward with improving the level of service. In the case of Gameti, we talked about a holding cell being provided in the community. If we get into Wrigley and Wrigley leadership identifies that as a need, that's something we will continue to work on.

We always need to be moving the yardsticks forward, Mr. Speaker. In the case of providing service, we are going to do that.

Again, I look forward to travelling to Wrigley and I can explain that to the community myself. Thank you.

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

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. I think back in the mid-'70s when they had an RCMP detachment in Wrigley, they were talking about developing a road and pipelines. Some of those same issues are coming up again with the development that's happening in the Sahtu.

Can they start planning and see the need to establish an RCMP detachment in Wrigley to be prepared for the development that's going to happen? Thank you very much, Mr. Speaker.

**HON. DAVID RAMSAY:** That's a discussion that, yes, we can certainly have with the RCMP. As we move forward, I did want to mention, as well, the policing plan for Wrigley and the highlights for that, combatting domestic violence and violence in relationships, combatting substance abuse and related crime, youth and community crime prevention and also community policing and Aboriginal wellness. Those were the needs identified by the community of Wrigley, something the RCMP continue to work on with the community. Thank you.

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

QUESTION 467-17(5):  
ENCOURAGING THE FILM PRODUCTION  
INDUSTRY IN THE NWT

**MR. BOUCHARD:** Thank you, Mr. Speaker. In my Member's statement today, I talked about the sixth season launch of Ice Pilots. I obviously have some questions for the Minister responsible, ITI. They handle the film industry in the Northwest Territories.

Can the Minister indicate to us what his department is currently doing to encourage more film production in the Northwest Territories? Thank you, Mr. Speaker.

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

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. We've just completed a report, entitled "The Sector Analysis and Action Plan for Screen-Based Media Production in the Northwest Territories." We're going to use this information, the information gleaned in that report, as the basis for a film strategy for the Northwest Territories, which we hope to have completed by March of 2015. So a lot of work is continuing to move forward on this. Thank you.

**MR. BOUCHARD:** We just received the report, so we haven't had a full analysis of it.

Can the Minister indicate the revocations of the current industry that we have in the Northwest Territories and what kind of impacts and benefits we've been getting from that? Thank you.

**HON. DAVID RAMSAY:** Thank you. It's just under \$10 million, the annual figure that the film industry gives to the economy here in the Northwest Territories. That's the latest figure that I have. Thank you.

**MR. BOUCHARD:** Is there currently any funding available for film production? Like I indicated, we have Andrew Stanley and a small group of people that were creating a 10-part series.

Is there any funding available currently through ITI to do any of those types of projects? Thank you.

**HON. DAVID RAMSAY:** Thank you. We have our suite of business-related programs and services through ITI. In addition to that, we also have a new expenditure-based rebate program that we'll be launching next month, November of this year. So we're looking forward to seeing if that can be successful in helping to attract investment in the film industry here to the Northwest Territories. Thank you.

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

**MR. BOUCHARD:** Thank you, Mr. Speaker. I know it's key for the film industry to have that encouragement here, but does the department currently have a link between the film industry and... I know Ice Pilots was very appealing to tourism. Is there a link that has the film industry and tourism tied together?

As I indicated, Ice Pilots has been the big attraction throughout Canada and throughout the world to come to Canada, come north, come fly on a DC-3. So, have we used that in our tourism promotion as well? Thank you.

**HON. DAVID RAMSAY:** Thank you. We have a film commissioner here in the Northwest Territories who works at the Department of ITI and she's certainly very well-versed in the film industry, the advance of film production here in the Northwest Territories. Shows that have been filmed here in the Northwest Territories have a direct correlation with tourism, and she certainly is well-plugged into NWT Tourism and the tourism staff that we have at the Department of Industry, Tourism and Investment. Thank you.

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

QUESTION 468-17(5):  
BREAST CANCER SCREENING FOR  
METIS, DENE AND INUIT WOMEN

**MR. NADLI:** Thank you, Mr. Speaker. My questions are for the Minister of Health and Social Services. I've been raising concerns on several matters, but this matter is regarding breast cancer.

Cancer is kind of a personal mission of mine and I want to ensure that the public is educated and has the information to understand that cancer can be beaten.

So my question is as follows: The evidence clearly shows that screening is critical for preventing and effectively treating breast cancer. What is the department doing to increase the number of Dene, Inuit and Metis women to receive proper breast screening? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Nadli. The Minister of Health and Social Services, Mr. Abernethy.

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. I do thank the Member for the question. Cancer is one of the leading causes of death here in the Northwest Territories and breast cancer is certainly a huge problem here.

Experience has shown that the best means to improve breast cancer screening is to have an organized program of systematic recall. We have put in breast cancer screening services in the Northwest Territories and those programs are

located in Hay River, Yellowknife and Inuvik. As of this summer, June 2014, the Stanton Breast Cancer Screening Program added Behchoko to their organized Breast Cancer Screening Program. We're hoping that this will help improve screening results for communities, which has been traditionally quite low.

I would say to the Member and I would say to all residents of the Northwest Territories, especially those living in small communities, early detection is key here. The earlier someone is detected the better. We do have well man and well woman clinics in all of the health centres throughout the Northwest Territories.

I would like to take this opportunity to encourage residents of the Northwest Territories to take advantage of those well man and well woman clinics and get in on a regular basis and get screened as early as possible. Thank you.

**MR. NADLI:** I'd like to thank the Minister for his reply. One thing I notice is that lifestyle factors play a huge role in the development of so many chronic diseases, factors such as eating, poor diet, heavy fat, sugar and processed foods, smoking, not getting enough exercise and consuming too much alcohol. In the North our Aboriginal populations have a lot of trouble in these areas. What is the government doing about it? Mahsi.

**HON. GLEN ABERNETHY:** The Member is exactly right; it's important to live healthy lifestyles. It's important to eat healthy and be active, and that would help you, obviously, reduce your risk of getting cancer, including breast cancer.

Right now we're currently working on the development of a Cancer Strategy here in Northwest Territories. The five key areas of that strategy will be: primary prevention and health promotion, so finding ways to encourage people to live a healthy and active lifestyle; emotional and cultural safety and delivery of diagnosis, getting people diagnosed early and making sure that when they are diagnosed there are supports throughout the Northwest Territories that they can utilize in their journey; we'll talk about integrating patient supports and services along that journey; promotion of screening and early detection services; and empower patients to be effective self-advocates.

But this is going to take more than just the Government of the Northwest Territories. This is going to take partnerships. We have been working with the Canadian Partnership Against Cancer and we've been working on a number of different fronts, including things to reduce childhood obesity through education, reducing chronic disease by improving lifestyle choices, enhance relationships between care providers and Aboriginal cancer patients, strengthen the provision of high-quality continuous treatment, and survivorship care to Aboriginal care patients. So there are a number of

things we're doing. We're doing that in partnership with different groups and we have been working with residents who have had or gone through the cancer journey to share their stories and talk about healthy eating, healthy living and getting diagnosed early. Thank you.

**MR. NADLI:** The Minister makes reference to the development of a Cancer Strategy. I understand that's been in the making for some time.

Can he tell the House the process and timeline of when that strategy will be developed and when it could be perhaps made available to this side of the House? Plus, at the same time, will that be part of a public campaign? Mahsi.

**HON. GLEN ABERNETHY:** Thank you. We intend to have the strategy ready by June 2015, but at the same time, we're not actually waiting for the strategy to be done. The work that I mentioned, we're already in the process of doing. This is something that can't wait.

We continue to work on the healthy choices, we continue to work on improving methods of getting people in and screened as early as possible. The strategy will help inform the things that we're already doing and improve even more, but we are definitely not waiting for that strategy to be done.

I'd be happy to meet with committee and provide them with that strategy in June 2015, when it's ready to roll out, for any additional input and guidance from committee. Thank you.

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

**MR. NADLI:** Thank you, Mr. Speaker. Does the department have specific measurable long-term targets for reducing the number of new cancer patients? Mahsi.

**HON. GLEN ABERNETHY:** Thank you. Due to the changes in the NWT Public Health Act in 2009, we were able to actually start collecting information on things like breast cancer and we have been collecting that data and reporting that data. That's going to help us set targets. The longer that data continues, the better the information will be to help us make that evidence-based decision. So the answer is yes, we're working with the statistics we have to improve our results here in the Northwest Territories. Thank you.

**MR. SPEAKER:** Thank you, Mr. Abernethy. The Member for Range Lake, Mr. Dolyunny.

QUESTION 469-17(5):  
ANNUAL AUDIT WORK PLAN

**MR. DOLYUNNY:** Thank you, Mr. Speaker. With the recent tabling of the 2013-2014 Public Accounts, I find myself asking some preliminary questions of valid transparent government spending. The sharing of information within consensus

government is critical to the implementation of risk-free services.

That said, in the context of corporate risk management, programs and services are continually being reviewed, evaluated and, especially, audited. I wish to discuss on a very high level those departments that deal with problematic and inherent risk. With that, my questions today will be for the Minister of Finance.

The Department of Finance apparently does an annual audit work plan that targets high-risk audits approved by an audit committee.

Can the Minister indicate to the House how many approved audits were planned for the 2013-2014 fiscal year and what percentages of these project audits were completed? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. The audit committee approved 12 audit projects in 2013-14 based on the audit risk assessment methodology which is used to identify or determine systemic risks inherent in government programs and services associated with governance framework, internal audits and...(inaudible)... independent oversights. Eight of the approved 12 projects were assessed as being ready for audit by the Audit Bureau in 2013. Four of the proposed 12 projects were deferred based on management feedback. In some cases, new business processes were being designed and that required time to be implemented. In 2013-14 a total of seven audit projects were completed by the Audit Bureau. Thank you.

**MR. DOLYNNY:** Mr. Speaker, we did get some information here, but I do have another question to gather a little bit more statistics.

Another important measure of success of the implementation of audit recommendations by management is addressing these so-called outstanding high risks.

Can the Minister indicate to the House how many of these recommendations were reported in the 2013-2014 fiscal year and what percentage of these recommendations were actually implemented? Thank you.

**HON. MICHAEL MILTENBERGER:** In the seven audit projects concluded, the audit reports completed in 2013-14 made 46 recommendations. Twenty-two of the 46 audit recommendations have been implemented to date. Thank you.

**MR. DOLYNNY:** So that number is about half. So what we've been able to piece together today is that the government has a corporate risk management framework, it follows some of its audit recommendations that we heard, about half of them and, again, it's if they choose, it doesn't report any

of these findings publicly and it doesn't share this information with Regular Members.

Can the Minister of Finance agree this is a correct summation? Thank you.

**HON. MICHAEL MILTENBERGER:** I'd like to add a bit more information before we get to that conclusion the Member has made.

It takes time for departments to address issues that arise from an audit. For example, all the recommendations from 2011-12 audits are now complete, while only 62 percent of the recommendations of the 2012-13 audits are currently considered complete. These things take time. Some of them are more complex and stretch out a little bit longer.

Audit reports, recommendations and follow-up are internal management documents. In that regard, the GNWT follows a standard set out by the Institute of Internal Auditors. The audit reports are not shared with MLAs, standing committee or the public. Thank you.

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

**MR. DOLYNNY:** Thank you, Mr. Speaker. This is at the root of my problem here today. As I said earlier, the sharing of information within a consensus government is critical, yet it appears that we have a division of this government which apparently acts above such law of the land when it comes to transparency and accountability to its people.

Will the Minister commit to the sharing, with committee, and hopefully with the public someday, the current findings and past audit findings within the context of corporate risk management? Thank you.

**HON. MICHAEL MILTENBERGER:** We, of course, whenever possible, share as fully as we can as a matter of practice with internal audits. There is sometimes highly sensitive, sometimes personnel information, sometimes information that may form the basis for a criminal investigation, so I am unable to commit to the request by the Member. Thank you.

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

QUESTION 470-17(5):  
PROCEEDS OF CRIME LEGISLATION

**MR. MOSES:** Thank you, Mr. Speaker. Earlier I spoke about this Forfeiture Act and the proceeds of crime legislation. There are jurisdictions in Canada right now, such as BC, Alberta and Nova Scotia, most recently, that have a Civil Forfeiture Act and it has been brought up in the House before on this side of the House.

I would just like to ask the Minister responsible for the Department of Justice, is the department looking at establishing such legislation for the Northwest Territories? Thank you.

**MR. SPEAKER:** Thank you, Mr. Moses. Minister of Justice, Mr. Ramsay.

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. The answer is yes. We have had that concern come up previously. We are currently talking to other jurisdictions about their experience with this. Some of the preliminary discussions we've had with other jurisdictions indicate that we really need to be careful, because in a lot of cases the cost to store the assets seized sometimes ends up costing more than the assets themselves at the end of the day.

We have some discussions ongoing with other jurisdictions and I am glad that the Member brought the issue up again today. Thank you.

**MR. MOSES:** The assets that would be seized, I know that storage has become an issue, but we also have some departments that have big compounds that might have storage space that we can use.

Would the Minister, seeing that is an issue he said has been brought up in discussions, would he work with other departments, such as Public Works and Services, Department of Transportation and possibly MACA, to see what kind of storage space they have in their compounds to utilize those for such property that would be seized? Thank you.

**HON. DAVID RAMSAY:** Yes, if we get to that stage, we certainly will have to talk to departments that have facilities or places to store things around the territory because, of course, not all communities have secure storage facilities, not all communities have towing equipment and the ability to seize a truck, a trailer, skidoo or ATV and get it from point A to point B. That's something that as we go forward with looking at this, these are all things that we will have to take a look at. Thank you.

**MR. MOSES:** Earlier in my Member's statement, I mentioned that specific... I have stood up in this House and talked about the bootleggers, drug dealers and the way they transport these illicit drugs and the alcohol to the communities.

I would like to ask the Minister, would he be willing to put in, I wouldn't say a pilot, but putting in a temporary Forfeiture Act as such, specific to illicit drugs in terms of selling as well as alcohol and the bootlegging? Thank you.

**HON. DAVID RAMSAY:** Mr. Speaker, seizing vehicles has occurred in the past when it comes to bootleggers. It continues to be an option where it is feasible. We also have a memorandum of understanding with the Government of Canada in respect of sharing the proceeds and disposition of forfeited property, the sharing of the amounts paid

or recovered on account of certain fines and sharing of certain monies transferred to Canada by the governments of foreign states. We have an MOU in place with the Government of Canada that allows us to share some of those funds. Thank you.

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

**MR. MOSES:** Thank you, Mr. Speaker. One of my colleagues just made a good suggestion here that when we do seize some of these assets, that if we sell them that we can start building some compounds to store them, so that might be an option here.

I would just like to ask the Minister, in terms of seizing property, has the Minister looked at doing any types of freezing on businesses that run illegal activity, freezing either if it's a hotel or maybe a restaurant, has he done any of that type of freezing in terms of the Forfeiture Act? Thank you.

**HON. DAVID RAMSAY:** Mr. Speaker, not to my knowledge. I don't recall a business or a restaurant or things of that nature being seized.

I will respond to the Members concern about the proceeds that we do get. These funds that we receive under the MOU that I mentioned earlier are used to fund crime prevention activities here in the Northwest Territories. Currently, there is about \$125,000 in that fund. In the past three years, the department has received the following: in '11-12, just over \$44,000; '13-14, about \$25,000; '14-15, about \$55,000, so that gives us a total in the account of about \$125,000.

I will mention – I know the Member is a big supporter of the Not Us! campaign – in '11-12 we took \$80,000 and helped pay for that program through the proceeds of crime, so that was a good initiative. Also in '11-12 we provided \$20,000 in additional funding toward the development of the Domestic Violence Treatment Option Initiative and we are currently assessing other projects where we can take some of that \$125,000 that we have and direct it in areas where it's going to make a difference. Thank you.

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

QUESTION 471-17(5):  
OFFICE OF THE REGULATOR OF  
OIL AND GAS OPERATIONS

**MS. BISARO:** Thank you, Mr. Speaker. My questions today are addressed to the Minister of Industry, Tourism and Investment. With devolution came new responsibilities, and one of those new responsibilities was for oil and gas. We've been talking a lot about it in the last little while and I'd like to ask some questions of the Minister of ITI around his job as the regulator.

We've inherited that job from the federal government with devolution. I've found when dealing with the environmental assessment at Giant Mine, which the Minister responsible was the Minister of ENR, that they had set up a system within that department which separated the Minister from the job that the members of the department were doing as a proponent.

So I'd like to first ask the Minister of ITI, what has he done within department of ITI to ensure that there is the same sort of division between the regulator and the department? Thank you.

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

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. We set up an office of the oil and gas regulator separate from the ITI department. It's in a different building. It's a stand-alone operation. I've delegated the day-to-day authority in most cases to the chief conservation officer, who is the executive director of our oil and gas regulator office, and we've set it up in a way that allows me to continue to do my job as Minister and also be the regulator. Thank you.

**MS. BISARO:** Thanks to the Minister for that. So, the Minister has delegated his authority as regulator and yet he still references himself as regulator. So I'm struggling to understand, and I think the public is probably wanting to know, how does the Minister call himself a regulator and yet delegate the authority to someone within his department well within the oil and gas department section of his department.

So, how does he reconcile that he is the regulator but he has delegated that authority as well? Thank you.

**HON. DAVID RAMSAY:** The Minister of ITI has been designated the regulator under the Oil and Gas Operations Act, and that is legislation and that's where I'm identified as a regulator and, again, delegated those authorities to the executive director who is also the chief conservation officer in our oil and gas regulating office. Thank you.

**MS. BISARO:** Thanks to the Minister. Still not that clear, but I'll give up on that one. I think it's a matter of language.

So, I'd like to know, first of all – not first, this is my third question, I'd like to know from the Minister, when issues come before the House or they come before a committee, Members very often want to have some input into the issue, and very often it has to do with an issue where the Minister and/or his delegate will have to rule on a decision.

So, I'd like to know if the Minister, as regulator, or basically him as a regulator, if he can accept input from Regular Members on an issue related to oil

and gas, and if he can, how would that occur? Thank you.

**HON. DAVID RAMSAY:** On April 1<sup>st</sup>, of course, we inherited the regulatory responsibility from the federal government. There are processes in place and we have to respect the processes and not fetter the regulator, not fetter the process that's in place through legislation, legislation that we've inherited from the federal government.

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

**MS. BISARO:** Thanks Mr. Speaker. I didn't really hear an answer there so I'll just give up on that one as well.

This is a new process, as the Minister has said, and any time there's a new process I am a firm believer in doing an evaluation of it. So, I'd like to know if the Minister has plans at this point, even though it's early in the process, does he have plans to do an evaluation of how our role as regulator and our role as accepting input on issues is working, and when does he expect that that evaluation would occur? Thank you.

**HON. DAVID RAMSAY:** Thank you. The office of the oil and gas regulator here in the Northwest Territories hasn't been overly busy. That's not to say that we can't take a look. We've only had the responsibility now for six months. I think after a year would be a good time to look back. I'm also looking forward, again, to getting in front of committee. I know we want to get in front of Regular Members with the executive director from our oil and gas regulating office, the deputy minister and myself to answer any questions that Members may have and I certainly look forward to doing that soon. Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Colleagues, before we go on today, I'd like to welcome Rose Ann Snow and her sister May Inqlanqasuk from the Beaufort-Delta. Welcome to the House today.

The Member for Yellowknife Centre, Mr. Hawkins.

QUESTION 472-17(5):  
EFFORTS TO FIND MISSING TOURIST

**MR. HAWKINS:** Thank you, Mr. Speaker. I want to use my second opportunity to get some information from the Minister of Justice, as we all have been recently informed in a very troubling circumstance that's happened. We've been informed lately about a Japanese tourist, what appears to be a single lady, who has gone missing for reasons unknown and, of course, it's best that we don't speculate, but certainly it's hard not to fear the worst.

Residents such as myself and Northerners at large would like to know what the Department of Justice is doing. People have been asking me questions

such as what is the RCMP doing, what resources have been committed to engage this process to help find her.

What is the GNWT doing to connect with this issue, because it is urgent. Finally, what can Northerners do to help in this very terrible, troubling circumstance? Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The Minister of Justice, Mr. Ramsay.

**HON. DAVID RAMSAY:** Thank you, Mr. Speaker. Of course, this is a very concerning issue for everybody. People do want to find this lady. We have confidence in the RCMP that they will locate her. Of course, we know Yellowknife certainly is a very caring community and that people want to lend a hand and want to try to help out in any way possible in trying to locate her. It's important that people go through the right channels with search and rescue teams, working under the search commander so they don't inadvertently do any harm to the search.

I'd encourage people, if they do want to help out and want to get involved, to contact the Ground Search and Rescue here in Yellowknife. Their phone number is 446-4727, or 446-GSAR, and they will be able to help assist in the search. Thank you.

**MR. HAWKINS:** Thank you. I appreciate that information provided by the Minister, and I didn't give him any notice. It's an issue that we're sitting here thinking about.

Is there any type of formal coordination for this normally? I need to think that this is a one-off circumstance that we always try to figure out as it happens. When Northerners go missing, we're familiar within the Deh Cho and MLA Menicoche's riding of Nahendeh that somebody had gone missing at one time and it was difficult to get the resources up and running immediately.

What type of things do we have in place so when a terrible circumstance happens like this, Northerners can immediately get involved and know that proper steps and processes are there working as quickly and diligently as possible? Thank you.

**HON. DAVID RAMSAY:** Thank you. The RCMP have protocols, they have processes in place when it comes to search and rescue and trying to identify or find a missing person. We have to remain supportive of the RCMP's efforts and their investigative skills. We also would ask Members and the public to be supportive of the RCMP at this time as they continue to search for this lady. Thank you.

**MR. HAWKINS:** I believe in the Yellowknife region, I'm not sure about South Slave, but I know we have the SARA, so that's the search and rescue group. I know, Mr. Speaker, in your region we have the Rangers and we have certain resources that we

can tap into, but Northerners being Northerners – the wonderful type of people we are – we want to help.

What more can the Minister do from his particular position and what type of public communications can he send out from the Department of Justice to provide opportunity for people to lend a hand?

Mr. Speaker, I just want to say – and this will be my last question – this woman is more than just a tourist. She appears to be a single woman by herself, and that sends chills down my spine that the worst could happen and I want to make sure we're doing the best job we can. That's not with any criticism on anyone, I just fear that we need to do as much as we can and I know Northerners everywhere want to participate because I have no doubt she's in the prayers of everyone. Thank you.

**HON. DAVID RAMSAY:** I can assure Members, I can assure the public that we are doing our best. I know the RCMP are doing their best to try to locate this lady. We do have – and I mentioned a number earlier – if people do want to get out and help in the search, the number again is 446-4727 and that's the Ground Search and Rescue. If folks want to help out, please call and we can use some help in the search. So again, thank you.

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

QUESTION 473-17(5):  
IMPROVING EDUCATIONAL OUTCOMES  
FOR SAHTU HIGH SCHOOL STUDENTS

**MR. YAKELEYA:** Thank you, Mr. Speaker. My questions are for the Minister of Education, Culture and Employment. In our region we're finding it very difficult to attract apprentices, people who want to get into the trades, because of the quality of the education they are receiving in high school. It makes it difficult for them to enter into a trades entrance program or to get into the Apprenticeship Program because of the lack of skill or training.

I want to ask the Minister, is his department doing anything to improve the quality of education for Grade 12s that want to enter a trades program or a Trades Access Program or get into an apprenticeship program?

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

**HON. JACKSON LAFFERTY:** Mahsi, Mr. Speaker. Yes, that is our overall goals and objectives. That's the very reason why we are re-evaluating and re-looking at our overall education system. More specifically in the small communities, whether it be the Sahtu region, Colville and the small communities, we've been told that their education system is not compatible or comparable to the larger centres. So those are some of the

areas that we are currently making some drastic changes. So it will reflect on that, as well, and yes, we want those individuals to be Grade 12 graduates or even entering the Trades Access Program so they can retain journeyman ticket holders in their region. Mahsi.

**MR. YAKELEYA:** Thank you. The overall picture the Minister has painted, looking at the overall system, re-evaluating in the last 10, 11 years as an MLA, we know in the Sahtu and the North that our education system is not comparable to the larger centres. It's a known fact. As Mr. Premier said yesterday, it's a cold hard fact. The cold hard fact of this issue is that we are not in the same ranking as the larger centres.

So, knowing this for the last 11 years, is the Minister willing to direct his department today to start looking at Grade 12, looking at and asking the communities, these are the programs that are going to help them to get into a trades program and to get into an apprenticeship program? Thank you.

**HON. JACKSON LAFFERTY:** Mahsi. Yes, those are the discussions that we are currently having, even directing my department to focus on those areas. There's been a needs assessment that's been completed just recently and that will give us the facts on what's required, what kind of training should be delivered in the region and education and experience levels. So those are the facts that we will be working on with the college and with my department.

Specifically on Grade 12 graduates, they should be entering trades or college or university programming instead of upgrading. We've been told that before and I'm fully aware of that. That's the very reason we are making those changes within our Education Act. Mahsi.

**MR. YAKELEYA:** Thank you. It's a well-known fact, also, that government operates and makes changes at lightning speed, maybe a year or two.

So I want to ask the Minister, given the time within our Legislative Assembly, can the Minister direct his staff to dedicate a staff person to go into the Sahtu communities to look at career planning, counselling, so they know that they need to take math and science, so when they finish Grade 12 these are the opportunities in the trades and apprenticeship and the students have a fair chance at least within the life of this government? I know that the Education Act will take a lot of discussions and we cannot afford to wait and just continue to fail our students. Thank you.

**HON. JACKSON LAFFERTY:** Mr. Speaker, part of the process will be that we have regional representatives and career development officers, as well, even from our headquarters. Yes, I totally agree with the Member that those regions that have an economic boom that's happening, we should be

focusing in those areas, whether it be the Sahtu region or the Deh Cho region. More specifically, now we are talking about the Sahtu, how we can prepare our individuals, community members so they can enter the workforce, what kind of training is required. More specifically, producing those individuals, those Grade 12 graduates and continuing high education, whether it be trades or other professions. Yes, I totally agree. I did instruct my department that we should have those career development officers focusing in those regions as well. Mahsi.

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

**MR. YAKELEYA:** Thank you, Mr. Speaker. Recently in the Sahtu a couple of students couldn't make it into the Trades Entrance Program because they couldn't qualify. These are recent Grade 12 graduates, students that we graduated last year. We give them a huge celebration, the communities celebrated along with them, but when they came to write the Trades Entrance Program they didn't pass. The Trades Entrance Program is 70 percent. These are students who were failed today.

I want to ask the Minister, why are we failing these graduates who want to get into a Trades Entrance Program, a career, to aspire to the goals that this Assembly set out for them? Why are we failing them?

**HON. JACKSON LAFFERTY:** Mr. Speaker, those individuals who are writing the trades entrance exams, it's not only the Sahtu region that may have failed their trades entrance. We have to focus on how we can assist those individuals. Let's come up with a solution. Let's put our brains together with the departments and the community and also the regions on how can we come up with a solution to have those individuals pass trades entrance exams.

That will be my focus with my department, focusing on the Sahtu region so we can have those individuals pass their trades entrance so they can be prepared for the workforce. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Time for oral questions has expired. Item 8, written questions. Item 9, returns to written questions. 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. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Mr. Yakeleya.



## Notices of Motion for First Reading of Bills

BILL 34:  
2015 POLLING DAY ACT

**MR. YAKELEYA:** Thank you, Mr. Speaker. I give notice that on Friday, October 31, 2014, I will move that Bill 34, 2015 Polling Day Act, be read for the first time. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Bill 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. Bouchard in the chair.

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

**CHAIRMAN (Mr. Bouchard):** 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 consider Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015; and, time permitting, Tabled Document 154-17(5), Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015; and, time permitting, Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016, with the Department of Transportation. Thank you.

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

**SOME HON. MEMBERS:** Agreed.

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

---SHORT RECESS

**CHAIRMAN (Mr. Bouchard):** I'd like to call Committee of the Whole back to order. We are in the process of reviewing the Tabled Document 155-17(5), Supplementary Estimates (Operations

Expenditures), No. 2, 2014-2015. I have Mr. Dolynny under general comments. Sorry, let's go to the Minister first. Minister Miltenberger, do you have guests to introduce to the House today?

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

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

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Thank you. I will ask the Sergeant-at-Arms to please escort our guests in today.

Minister Miltenberger, please introduce your witnesses today.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I have with me Mike Aumond, deputy minister of Finance; and Mr. Olin Lovely, director of the Management Board Secretariat. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Committee, we are completing opening comments on Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. Next on my list I have Mr. Dolynny.

**MR. DOLYNNY:** Thank you, Mr. Chair. I'd again like to welcome the Minister and the department here today for these general comments on the supplementary appropriation in the area of operations.

I wish to take the opportunity today to talk about two of the line items that we're going to be discussing here today, the first of which is the fire suppression amount of \$47 million. But before I do, I think it's important that at every opportunity we have the pleasure of again thanking our own fire suppression teams across the Northwest Territories, both ground crew and air, and again to all the visiting jurisdictions that provided the safe haven and blanket of safety during what was one of our worst fire seasons of all time.

We know that the Minister has talked about this in the House, and Members have also brought comment, so I don't want to belittle or continue down that path, and at a point in time, I might be discussing about this as well. I have to admit that at the beginning of the fire season, Members of the House, and I think the general public at large, received very intermittent communication. Of course, as the fire became more prominent, information became a lot more readily available, so for that I pass my thanks to the department.

However, what was missing, a key component, especially given the volume and the amount of money that was being poured into this endeavour, there was, and has been, no real mechanism put in place since I've been here as a Member of the 17<sup>th</sup> Legislative Assembly. The only mechanism in terms of finding out what the financial impact was as we

progressed in this 2014 fire season, was comments made by media or CBC in which that was basically the only mechanism that we had as Members as to how much money this was costing.

I know the Finance Minister was heard saying it was costing us \$1 million a day. Again, this is the type of information that we only received through media sources.

So I will challenge the department to take this information as notice in terms of what can we do to improve the communication not so much of where the fires are or geographical location of the fire updates but, more importantly, some form of communication mechanism for not only the Members but maybe to the public in terms of what's it costing us in real time of fighting these fires, so that when we see these large numbers come before committee that we do have some mitigating circumstances to put reference to. So I'll leave that one at that, Mr. Chair.

The second one is the second large amount of the appropriations that has come before committee here, is the \$20 million of the Northwest Territories Power Corporation to mitigate the low water levy at the Snare. I want to make it quite clear, and I've heard this already in some media sources and, of course, in social media, that this was typically a rider and an offset to deal with just Yellowknife ratepayers. I want to make it quite clear that this was not just a Yellowknife ratepayer scenario or solution; this was a solution that affected all ratepayers in the Northwest Territories.

But, Mr. Chair, what I really want to focus on here is a bit of the background to put into context the decision-making process and how this money came about and where we are today in this appropriation.

I could tell you from a chronological point of view, this information was very sparse, at best, with committee, to understand the rationale regarding the decision-making of this appropriation. Very little information was provided to committee. In fact, I'll attest that almost none or very sparse information was given.

I can tell committee and I can tell the people listening in that it was almost to the same tune of September 26<sup>th</sup> when both the Minister of Finance and our Premier held a joint news conference, which required, normally, a notice to the Members of the Assembly here of at least a two-hour window of notice. I can assure the committee that I don't believe that occurred. In fact, we heard for the first time, like members of the public, that there was going to be a decision. That decision, and I'll quote right from the media, the Premier said, "We have eliminated the need of a rate rider and have ensured the costs have not been passed on to the NWT residents."

Mr. Chair, I can tell you that there was no heads-up for that decision, there was no notice, there was no memo, no letter, no paper trail, no Caucus discussion. This was just a political maneuver, and I can tell you, Mr. Chair, that I believe this was very cleverly orchestrated to purposely circumvent the convention or the guiding principles of consensus government. It's so important I need to state what are some of those principals or key terminology and I think, for the record, I will bring them here to the floor of the House.

I'm going to use some of the terminology written within this consensus style of guidelines and principles that we adhere to. Terminology such as, "to work together, of open dialogue, inclusive decision-making, accommodation, respect and trust, open and respectful communication between all Members, the opportunity for all Members to have meaningful input into important decisions is fundamental," and I think the most important guiding principle, number five, is: "Except under extraordinary circumstances, Members of the Legislative Assembly should be made aware of and have 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."

We know that this appropriation that we have before us did not qualify under the terms of a special warrant, so we do ask, by what tool, what FAM policy, what financial administration act, law or regulation was used to make this decision. I can tell you, Mr. Chair, there was nothing. There was nothing to support this action, and there was nothing from preventing this Cabinet from doing this or repeating this same action. I can tell you, Mr. Chair, that the precedent that is being set today by this Cabinet is not being discussed before the House.

To complicate things, it appears that the appropriation is truly only roughly about \$15 million for this year and that we are actually making an appropriation amount, from what we can see here, of \$5 million from next year's budget, which for me is problematic. Why are we talking about a \$20 million appropriation in this fiscal year and already taking from a future budget year? This clearly could be added to next year's budget operations procedure, and it clearly circumvents the process by doing it in this year, and it's very unclear and I'll seek some rationale as to why.

So, Mr. Chair, I know that it's almost impossible to speak against this in its principle because I believe it is still the right thing to do, but it was cleverly done to mitigate the process of convention style of consensus government. Clearly, as I see it and I think many see it, this was to prop up the stock

value of this Cabinet and this government, and I think the public sees that as well.

The Premier prides himself on being a great communicator, and I think he is a great communicator. He is a person who likes to collaborate with all community governments and has shown his accolades in closing the devolution file is a testament to that compliment. But yet it's apparent that this noble gesture seems to stop at the door of this Assembly, and I feel that Members of the House, because of this scenario, are not part of this Cabinet and this Premier's master plan, and I think this has to be brought up to the attention of all.

Mr. Chair, in the end, although ratepayers, as I said, did benefit from this hasty and non-transparent decision and circumvented the consensus government, I'm hoping that through this dialogue, through this sharing of information and of my opinion and my concern, that we have not struck an awful chord within the consensus style government because clearly, by way of action, this did occur. Thank you, Mr. Chair.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. In regards to the first issue raised by the Member, we provide weekly updates to MLAs during fire season and we will add a financial component to that to allow Members to track, as do we, the costs and expenditures during fire season.

In regard to the second issue, I want to, of course, concur with the Member that Northerners have reacted very favourably to the \$20 million that was used to offset the proposed rate increase, and the reason that we did \$20 million - \$15 for the rest of this fiscal year, \$5 million to carry us over to June - is because we had to give the Public Utilities Board confirmation that we would make NTPC whole for the whole amount, for the entire amount that they were requesting, which was \$20 million to cover the fuel charges that were going to be incurred from this month or last month to right through until June, so we did that.

The Member says it was a hasty, ill-thought-out, quick response, cleverly manufactured to circumvent the rules of consensus government, and I would suggest that in fact it was a timely thought out, measured, but very focused and nimble response to a circumstance that came before us that was going to cause extreme hardship, we figured. We were well aware of the concern that we all have about cost of living and this would have been a prime contributor to that.

Sometimes in these kinds of circumstances government is required to act quickly, and we did. We acted quickly. We met the balance not to the satisfaction to the length of time that the Members would have, but I believe we met our commitments

that we needed to under the convention for consensus government, and more importantly, we responded in a timely and effective way to a situation that required a timely and effective response. It wasn't an attempt to circumvent consensus government but rather an attempt to deal with a circumstance that required what we thought was immediate attention, and as a government we responded accordingly.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. Committee, we're on Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015, and we're on general comments. Next I have Mr. Moses.

**MR. MOSES:** Thank you, Mr. Chair. Just a few general comments in regard to this operations expenditures supplementary appropriation. First off, I understand the amount of money that we're putting into the special warrant for the extreme fire season that we did have. Speaking to some of my former colleagues in the industry, they mentioned that we're going to see an even drier summer next year and maybe even a more extreme fire season, and want to know what the Minister and government is doing in terms of looking to address that issue. That being said, we can look at possibly another low water condition at the Snare Hydro System, which we, again, put \$20 million towards, so that's \$67 million that this government didn't budget for, but we're taking the costs on that. Moving forward and looking at the change in weather and the amount of water and precipitation that we get, I just want to give a heads-up that we're going to be seeing these kinds of costs in the future, I think, and how do we address those. What's the department doing to put things in place to mitigate these costs and mitigate the damage that it's doing to the environment and the Northwest Territories?

Like my colleague, the \$20 million was communicated very, very poorly, and I understand that it was a timely matter, a decision matter, and it was done one day and an announcement was made the next. I mean, it could have possibly been held off over the weekend or something and information given to Members rather than the element of surprise that a lot of us experienced through the night, I guess, and hearing it the next day, but I'm sure there's a lot of residents who are happy that the government took that approach to offset the high cost of living that we see in the Northwest Territories. I know residents of Inuvik were pretty happy that the government did step up to the plate. But it does come down to a communication issue with the Regular Members and how we pass information back and forth with Cabinet. We've heard a lot of discussion on those two big items.

The other item that's on here is the amount of dollars that are being allocated for the implementation of Junior Kindergarten, which has been a big, hot topic this week in question period. With that, what I want to say is committee and some Members on this side of the House brought forward a motion back on February 27<sup>th</sup>, I think, to try to get dollars for the implementation of Junior Kindergarten and that whole early childhood initiative. The Minister, actually all Ministers stood up in a recorded vote and defeated the motion, which just begs for me to say whether or not Cabinet does really take some of what we're trying to do seriously. We read the full reports, we did our consultations with our constituents back home, with people that are going to be affected by Junior Kindergarten, and we did try to support the program. We tried to support not the delay of Junior Kindergarten but we wanted to make sure that it was implemented right, that everybody was in place to get it started. As you can see with the questions and Members' statements this week, 23 communities have it implemented and actually now we're having the government come back to committee saying, yes, we do need that money. Why didn't they listen to us the first time?

We are trying to support, and I know that going forward I'll support this supplementary appropriation because of the people that are going to be doing the programs. The kindergarten teachers are going to need that extra help and the schools are going to need extra help. In fact, we are putting Junior Kindergarten into communities that don't even have the space and I think we're going to be looking at another supplementary appropriation for renovations. They don't even have bathroom facilities and we're going to have to address those. It just concerns me that when we try to help out governments and we get a failed system and it's not like, I told you so kind of attitude, but we knew it was going to come down. We knew that when the Junior Kindergarten was getting implemented that there was going to be dollars needed. You're hearing that loud and clear now from the education authorities; you're hearing it from the teachers; you're hearing it from even the private daycares.

Not much else to say but we knew we were going to see some money here for that Junior Kindergarten program and it's just disappointing that Cabinet actually stood up in a recorded vote and defeated a motion that we were trying to assist in a worthy program back in the February 27<sup>th</sup> motion, or the motion for the dollars that we were trying to allocate for the Junior Kindergarten. I can look it up if some of the Members want to see it. I just wanted to point that out there and get that on the record, because the Members on this side do listen and we do try to offer advice and support and try to get things implemented in a timely manner, but in a more efficient manner as well.

Just some opening comments to the operations.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I appreciate the Member's concern. As the Member is going to be tracking and worrying about the upcoming snowfall and winter and then the coming summer, so too are all of us as we look at the level of drought and what kind of water we can expect this coming spring and summer and hope for the water levels to go up to have a wetter season in the southern part of the territory. There's little in the short-term we can do to mitigate that, but clearly, as we look longer term at climate change, global warming, we have to continue to strive to do our part to look at mitigating over the longer term.

In regard to the concern of whether we take the MLAs seriously and the concern of the MLAs, I would say absolutely that we have probably the most, I would say the most conclusive government and Legislature in Canada where we have all the MLAs – there's no party distinctions – have critical roles to play in the budget process, legislative process that involves everybody. The budgeting process, in actual fact, never stops. It's constantly underway. As one budget is concluded another one starts. We all have legislation that we're all working on, doing our different parts, and with a consensus government we are very, very open and transparent. We, as a government, sometimes have to act on certain things, but for the most part everything we do is there to be scrutinized and we respond to that.

I appreciate the Member's comments about the money in the supp for Junior Kindergarten. My only comment would be that the funds finally did make it. Some of the monies identified for Junior Kindergarten, maybe it's a case of better late than never. As the Member said, it's not so much a case of I told you so, but rather through the due process of making sure that the funds get to where they're needed. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. General comments on Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chair. I have a few comments and then I'll have some questions when we get to detail as well.

My concerns are very similar to those of my colleagues. We have two very large expenditures in this operations supp. Both of them were unexpected and were unplanned, and that happens, particularly with the forest fire expenditures, fire suppression expenditures, the special warrants that had to come through. Absolutely, that needed to be done and I'm glad that the government acted on those.

I do have very large concerns with advancing the payments on the Inuvik-Tuk highway, the \$20 million that's there for that particular project. Sorry, \$20 million for NTPC, right. I'm as confused as Mr. Bouchard.

I still have a concern about the \$20 million, big time. We always establish a reserve for both infrastructure and for operations and we did prior to this supplementary appropriation. Coming forward we did have, I think, some \$26 million in our supplementary reserves for operations, but with this particular supp it's going to put us in the hole big time. It's going to put us in the hole \$42 million. Admittedly, as I said earlier, some expenditures are unexpected, but I really wonder what that is going to do with not necessarily our finances but with our fiscal position. We have a cash position, which is carefully monitored by Finance and I believe they do a good job and they certainly are concerned about where our cash sits and what we're borrowing, et cetera. But we're obviously going to have to borrow to deal with these two expenditures and how much are we going to have borrow. What's the cost of that borrowing? How is it going to impact our borrowing limit? How is it going to impact our borrowing authorization limit? These are all questions which need to be answered, and I think they're legitimate questions which I have and I think the public has. We seem to be able to pull money out of the air and it doesn't seem to be a problem. I think it's our job, as legislators, to ask where this money is coming from and how much it's going to cost us.

It's been mentioned a number of times now, but I have to also speak to the issue of the timing and the way that we were advised of the decision to spend \$20 million to lower the cost of power for all residents in the NWT. The Minister is using our concern with the way we were advised, to suggest that we don't want to be relieved of the extra cost of power. Absolutely I do and I know my constituents do, but we do have protocols and conventions as part of our consensus government, and consensus to me means working together and I certainly didn't feel that there was any working together on this particular issue.

Both the Premier and the Minister have stated in the last couple of days that we were advised. I think the Premier suggested that we were advised up to two weeks earlier. We were advised that Cabinet was looking at ways to mitigate the \$20 million. That goes nowhere near where we're going to spend \$20 million on the NTPC shortfall. My recollection is that we were advised, I guess somewhat haphazardly, that this issue was going before Cabinet on one day and the next day we saw a media advisory, which said that the Premier and the Minister of Finance are going to meet with the media and they're going to explain our decision to spend \$20 million on the NTPC shortfall. There

was no opportunity for us, as Regular Members, to have input into this decision. Not to say that we would have complained, but really, where is the opportunity for us to have input? It was not there.

It would have been a simple matter, in my mind, after Cabinet made the decision, the day before the media advisory announcement, it would have been a simple matter for an e-mail to be sent to Regular Members saying this was a decision at Cabinet and we're letting you know this is what's been decided.

So now we have an option. We could, as Regular Members, say well, we had no input into this \$20 million expense. So maybe we should delete it from this budget, which we have the power to do. There's absolutely no way that that's going to make us out to look like anything except the total bad guy. Again, this was a good decision, but we were not able to have any hand in the decision as Regular Members. For me it calls into question the priority that Cabinet places on both consensus government and on the protocols that we have that govern the relationship that we have and the way we communicate back and forth between Cabinet, the executive and Regular Members.

So that's it for my general comments. I will have some questions when we get to detail. Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I appreciate the Member's assessment, her bottom line assessment that at the end of the day it was a good decision to put the \$20 million to offset the rates. The intent was not to make Members look bad. The intent was to deal with a pressing issue that was going to put all of our constituents under needless or extra financial burden at a time when we're all struggling with how do we deal with the cost of living. We do place great value on protocols. We spend an enormous amount of time when we do business on process, making sure we've touched every base that needs to be touched as it relates to the protocols in terms of informing folks, sending stuff to committee that we're doing so that they at least have the information and can decide if they want a briefing, offering a briefing and doing the briefings, the correspondence.

But there are times during the daily affairs of government where there's a deemed requirement to move fast and in this case we did that. I hear clearly that we didn't touch enough bases or as fully and thoroughly as we should have in the minds of the MLAs and we accept that criticism. On a go forward basis, we'll of course try to keep the high standard that we do most of the time throughout and we'll answer the questions that the Member has.

She listed a whole number of things in terms of interest and all those type of things. I'm assuming she was using those as examples and will raise them when we get to that specific item. If not, I apologize and I will do my best to try to respond to those. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Committee, we are on general comments of the Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. Sorry. You're not out of time, Ms. Bisaro. I apologize. We will go back to Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chair. I had two minutes left. I just wanted to say that I appreciate the government's intent, but somebody dropped the ball and I appreciate that the Minister has suggested that yes, maybe they did. I do appreciate also that there are times when decisions need to be made quickly, but I still believe that there is still an opportunity, even when a decision is made quickly, to let Regular Members know what that decision has been.

As to his question about my questions, yes, I will raise them later on. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Ms. Bisaro. I will take that as a comment. Maybe, Minister Miltenberger, do you have a comment?

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chair. We will wait and respond to the Member's questions as best we can when she raises them when we get to detail. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Ms. Bisaro, are you done?

**MS. BISARO:** Thank you, Mr. Chair. Even though I have 45 seconds, I'm done. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Ms. Bisaro. Committee, we're on general comments on Supplementary Estimates (Operations Expenditures) No. 2, 2014-2015. General comments.

**SOME HON. MEMBERS:** Detail.

**CHAIRMAN (Mr. Bouchard):** Committee has agreed to go to detail?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, we are on Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015. We will go to page 3. Supplementary Estimates (Operations Expenditures) No. 2, 2014-2015, Department of Executive, operations expenditures, directorate, previously not authorized, negative \$4.206 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, negative \$4.206 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, Department of Human Resources, operations expenditures, directorate, not previously authorized, \$23,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, previously not authorized, \$23,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Department of Finance, operations expenditures, deputy minister's office, not previously authorized, \$20.037 million. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. I enjoy the consistency across the years.

So, \$20 million, \$20.037 million, we have had some discussion on this, I think, but I just want to note that this sort of expenditure and this specific one is totally consistent with the impacts of climate change. It's a consequence of the extreme weather events that are happening globally with increasing frequency and severity. The NWT doesn't have any special dispensation, so these sorts of things we can expect again with increasing frequency and severity and we need to be able to plan for them.

Scientists have warned about this for decades and Canada and our Prime Minister are now globally recognized for their costly and deadly failure to react responsibly. This \$20 million cost that is coming out of our peoples' pockets today is just the most recent example of the direct cost to the people of the NWT and to the environment of climate change. If we want to go even more recently, we can go to the people of Tuk and talk about the failure of the barges to make it down the Mackenzie River with the freight and what that's going to cost to complete that transportation project.

Although the Minister says that this was done to protect ratepayers, in fact, costs come out of our citizens' pockets. This \$20 million comes out of our citizens' pockets one way or another, one pocket or another, either as ratepayers or as taxpayers and it affects services that we are able to provide and our long-term financial health.

This expenditure does nothing, absolutely nothing - \$20 million more than - absolutely nothing to address the problem, the underlying issue of the high cost of power, but \$20 million spent in a different way very well could have. That, I think, is the issue we're talking about.

I disagree, and Cabinet can go and make this decision and send us an e-mail to let us know that they made this decision. That is not satisfactory.

Such unilateral decision-making is not only arrogant and an example of short-term thinking, it misses the opportunity supposedly assured by consensus government for all of us in this House to put our minds together to work out the best possible solution to an issue and come up with the most effective use of the relatively scarce dollars that we are dealing with. That's what this is about.

Mr. Bouchard, Ms. Bisaro apologized for referring to some of the infrastructure stuff. Do not. I would suggest do not do that, because it's related. It's coming out of the same piggybank, as we will hear later.

These climate change impact costs are mounting. When combined with other, perhaps, fuel-based decisions involving \$60 million, in addition to this \$20 million, in addition to another \$50 million that we will be talking about later today, even my math tells me that's way over \$100 million. We are struggling to maintain a cushion in our debt limit of \$100 million. This is hugely significant to the programs we are able to put into place for our people and the future services we provide and the financial health and options that we will be leaving behind for the 18<sup>th</sup> Assembly.

I'm not interested in any remarks from the Minister on this, but I'm going to leave him time, if he wishes, and this is a foregone conclusion. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Bromley. Thank you for those comments. Mr. Miltenberger, would you like to respond?

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I agree with the Member's assessment and we have been talking about this for quite some time now, about the impacts of climate change and global warming and extreme weather events. We have been dealing with the costs to us, as a government, now for quite some time. I think back to things like having to replace all the wooden piles as the temperatures warmed and they thawed out and turned to, basically, mush. Either change the piles or replace the buildings, not to mention all the other impacts. So, I agree and we are going to be working collectively here to deal with that.

In regards to the concerns about the process, I think we've covered that issue quite thoroughly with the first three Members' concerns, so I won't chew peoples' cabbage for the fourth time. I will just leave those comments stand. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Next on my list I have Mr. Dolyunny, followed by Ms. Bisaro. Mr. Dolyunny.

**MR. DOLYUNNY:** Thank you, Mr. Chair. I am listening to the Minister's replies not only to my opening general comments, I also heard the Minister reply to many other colleagues here today. I want to hone in on certain key terminology that

was used by the Minister. The Minister is very good at sticking to a set of scripts, and he's very attuned to his nomenclature wording. But he uses the term "there was a pressing value before Cabinet," and he uses the terminology of "things were moving very fast," and I'm going to come to those two terms again in just a minute here. But ideally, what we have before committee here, again, is not because we don't believe the \$20 million help offset and support ratepayers. It's the fact that there was a process, and it's this process to which we are talking about that has failed, and it failed miserably. We did not address the element of surprise to which Members here are not accustomed to, and it clearly violates the canons and the guidelines of consensus government, and I will ask, is "moving fast now" the new conventional wisdom of Cabinet. Because things are "moving fast," we need to agree on spending decisions that we don't have a choice or an opportunity to comment on.

I want to zero in on this pressing value, as indicated here by the Minister, and things are moving fast. When did the Cabinet get notification from NTPC or the Public Utilities Board as to this amount of money that was going to be hitting the ledger or that was going to be passed on to the ratepayers? When did the Cabinet, when were they aware that there was going to be a problem?

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. The written correspondence we have from NTPC was September 25<sup>th</sup>. Oh, sorry. August, August 25<sup>th</sup>. Sorry.

**MR. DOLYUNNY:** If we're hearing correctly, it was August 25<sup>th</sup>, which is almost one month and a day when the press release and also the press conference was being held by the Cabinet. As I said, I'm trying to figure out what was so pressing, the fact that it was one month that transpired between that information and the decision that everyone heard on the 26<sup>th</sup> of September. I guess the question, Mr. Chair, was there an imminent deadline that the PUB needed to have an answer by?

**HON. MICHAEL MILTENBERGER:** This was in the tail end of summer and in the heat of the fire season. The Power Corporation had followed their process and notified the PUB, and we are aware of that as well. Then the issue came to be what was the impact gathering Cabinet to have those discussions and what would be the response and the need to review what was we thought the most feasible way to proceed, and what did we need to provide to the PUB to give them the assurance that whatever decision that was made would make NTPC whole in terms of the money they were requiring and that we were going to get through that rate rider.

**MR. DOLYNNY:** Of course, we didn't hear a date here from the Minister, so I guess we'll leave it to the imagination. It was sometime between August 25<sup>th</sup> and September 26<sup>th</sup> which is the announcement of this amount of money being authorized or promised by Cabinet without any appropriation. I'll leave it at that. If the Minister doesn't want to answer the question, that's fine. Maybe other Members might get back on that and try to pry that information out.

The question is: How pressing was the issue? Why were things deemed so fast moving that we had to circumvent conventional wisdom of a process that we all enshrine and we all believe in, which is consensus government? I don't see where the pressing need was. I don't see where things were moving fast where this decision had to be made on a Friday and had to be announced that Friday and circumventing the program. Unless the Minister really wants to clarify that, I have a hard time understanding and believing where the pressing value was and where things were moving fast.

I'll leave it at that, but my other questions have to do with the fact that I'm assuming that this \$20 million is coming out of short-term borrowing, and if so, can we get confirmation? Is this indeed coming out of short-term borrowing and what does that mean now to our short-term borrowing limit, which I believe our cap is at \$275 million. Where does this appropriation land on that threshold?

**HON. MICHAEL MILTENBERGER:** The issue of pressing and why we did what we did, I mention to the Members that when you're in their chair and responsible for, as the government, dealing with the issue of cost of living, forest fires, unexpected expenses like this and very many other urgent fiscal balls you have in the air that, yes, things do become pressing, and they become pressing in the context that I just laid out, and they require a timely response.

I appreciate, once again, that Members don't think we subscribe fully enough to the protocols that we've agreed to. I'm saying that we had touched the bases we needed to touch. We're recognizing here the concerns on a go-forward basis. It's not like we're avoiding answering the questions.

**MR. DOLYNNY:** Well, there was a question there that did not get answered. I asked about the short-term borrowing line. I'll leave it to the Minister if he wants to elaborate more, because I think that's an important question. If, again, the Minister doesn't want to answer that question, just maybe he can indicate that.

We are borrowing that money from short-term borrowing and it would be nice to know where we're sitting on our short-term borrowing line of credit. But I think conventional wisdom would prevail, and I think the public is smart enough to understand that we can talk in soliloquies about the greater value of

good and evil. We can talk about things that are always ongoing, but the issue of "pressing and urgent" usually means that there's a deadline or a date that this government had to adhere to.

Again, I've asked twice now. I've asked maybe three times now, was there a deadline or a date that this department, this Minister or the Cabinet or the Premier had to adhere to so that this decision had to be done on a specific date, given full well this information was in their hands for well over a month? I guess, again, I'll leave it to the Minister's purview to answer that question, but I'll still allow the question to stand regarding short-term borrowing and how does that affect our short-term borrowing line.

**HON. MICHAEL MILTENBERGER:** I apologize to the Member for not answering the question. As he was asking about short-term borrowing, my short-term memory left me there for a second and I need to get reminded by the deputy what the question was.

There was urgency to deal with the process. There was urgency to provide assurance and reassurance to the people of the Northwest Territories where there was a growing sense of urgency, demands that something had to be done and, in addition to trying to touch the bases we needed to touch, deal with the NTPC, deal with the PUB. We took all those factors into consideration and responded as we did.

In regard to the short-term borrowing and the \$275 million cap and what the \$20 million will do to that, I'd ask, Mr. Chairman, with your indulgence, that the deputy be allowed to respond to that.

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

**MR. AUMOND:** Thank you, Mr. Chair. As the Minister stated, we do have an internal line of credit limit of \$275 million currently. As of October 14<sup>th</sup>, we had a cash deficit, or we were \$225 million into the line of credit, so the \$15 million for the remainder of the fiscal year 2014-15 would have an additional \$15 million onto that \$225 million.

The remaining \$5 million would not be required until the beginning of the next fiscal year. It's uncertain or unlikely that we would have to undertake short-term borrowing that early in the year to finance that cost. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Deputy Minister Aumond. Next I have on my list Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chair. Mr. Aumond left off where one of the questions that I wanted to go with regard to the \$20 million that we're borrowing. I heard him say that we will need \$15 million in this budget year and then \$5 million is expected after March 31, 2015. If the question's been asked and I missed it, I'm sorry. But why are



we being asked to approve \$20 million in the 2014-15 budget year, which ends March 31, 2015, when \$5 million of that is going to be used in the 2015-16 budget year? Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Ms. Bisaro. Mr. Aumond.

**MR. AUMOND:** Thank you, Mr. Chair. As Minister Miltenberger stated earlier, we needed to provide confirmation to the PUB that the Government of the Northwest Territories was going to make NTPC hold on the \$20 million. The way that the process works is when NTPC files a notice of their requirement to increase their revenue recovery, that would have automatically triggered in based upon when NTPC filed with the PUB, which would have come in on October 1<sup>st</sup>. So we needed to provide comfort or confirmation to the Public Utilities Board that the government wanted to make NTPC hold for the \$20 million.

While we will only have to provide \$15 million, or anticipated that we will have to provide \$15 million to NTPC this fiscal year, we needed appropriations to even provide that confirmation to the Public Utilities Board. The way the processes work, we do a contribution to the Power Corporation for the amount of \$20 million so that they would have that money in their funds and then there would be a reconciliation done on a monthly basis about how much the costs actually are.

As folks may know, the cost of fuel has dropped since that decision was made. So, hopefully the cost won't be that much, but that is the process that will be used to reconcile the account for the extra cost. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Aumond. Ms. Bisaro.

**MS. BISARO:** Thanks, Mr. Chair. I appreciate the explanation, but it doesn't give me much comfort. I'm being asked to approve more money than what's actually required in this budget year. We're committing to do that, to ask for some money for a certain program or service and ask for more money than was required in a budget year. I think the Minister responsible or Cabinet would laugh us out of the room.

I appreciate this is a bit of a different situation, but it seems to go to a number of decisions that have been taken over the last six months to a year that pretty much tell me that I don't have much of a hand in anything that's going on here. I'm beginning to feel that decisions that are made by the Executive. We'll tell you about it as a Regular Member, but don't expect to have any input and don't expect to have any opportunity to provide your views. That's my perception. I hope that's not what the intent is, but that's how I'm feeling.

This \$20 million as well as the money that is going to have to be spent for fire suppression is a huge

amount of money. I'm not sure if Mr. Dolynny asked the question or not, but how much are we going to have to borrow and what is going to be our borrowing cost? I'm presuming that we don't have this money since these two expenses are outside the budget that we approved February/March. So, I am presuming that we have to borrow the money. Is that correct that we have to borrow the money? If we have to borrow the money, how much are we borrowing and what is it going to cost us to borrow that money? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I just want to assure the Member here, Ms. Bisaro, that we're fully invested in the process of consensus government. I can tell you that the last six months I have felt at times like she says she is feeling now, is day after day that we would be constantly bombarded with rising costs with all the fires and the impact and the huge amount of territory that was burned and the communities that were at risk and knowing that we had to spend the money. So we did that. I said at the time, this is not the time to argue about money. It's not the time to worry about where the money is coming from. We'll spend the money and we'll sort it out, so here we are sorting it out. The Member does have a say, not so much on the special warrants on the \$20 million.

We're here before the Assembly asking for the authority. The money hasn't been spent yet. We made a decision to do that. We've come through the supplementary process. We think it's a critical issue that we've made the right decision on. The Member has the full right and we'll be looking to the vote here hopefully in the next number of hours or in the next day or so on that issue.

I'd ask the deputy to speak to the amount being borrowed and the interest charges and those specific numbers. Thank you, Mr. Chair.

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

**MR. AUMOND:** Thank you, Mr. Chair. With respect to the \$15 million for this fiscal year, given that assumptions one might make around the drawdown on the \$15 million, the total interest hit on that would be probably somewhere between \$12,000 to \$15,000 for this fiscal year.

With respect to the special warrants for the money expended to fight the forest fires, that's already accounted for in the \$225 million short-term interest or cash deficit that we have now. I can't recall exactly what the interest rate would have been over the summer, so less now than it was then, and I don't have that. We could provide that to committee in short order. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Aumond. Ms. Bisaro.

**MS. BISARO:** Thanks, Mr. Chair. The other two questions I wanted to ask here, I may have missed it when I had to step out. I think Mr. Aumond mentioned our cash position and that was one of my questions, was where are we at in terms of our cash position? We have a Borrowing Authorization Act which allows us to borrow up to a certain limit. Will we reach that limit? If we do, then what do we do?

My other question has to do with our borrowing limit and the \$100 million cushion that we are trying to keep in our borrowing limit. I would like to know, in the 2014-15 year are we going to go under that \$100 million limit? If it's not this year, will it be in the 2015-16 budget year? Thank you.

**MR. AUMOND:** If one takes into account the borrowing up for discussion today and over the next little while in the Assembly, the revised available borrowing capacity at the end of '14-15 on the \$800 million borrowing limit, we are projecting to have about \$92 million in borrowing capacity as of March 31, 2015. Thank you.

**MS. BISARO:** Mr. Chair, to our cash position, where does this borrowing cost of \$12,000 to \$15,000 put us in terms of our Borrowing Authorization Act and our limit there? Thank you.

**MR. AUMOND:** As stated earlier, we are currently, as of October 14<sup>th</sup>, about \$225 million cash deficit right now and then we would borrow the \$15 million. So the interest is really of little consequence to that number, but it's the debt. In addition to some other pressures that might be anticipated, we're going to come very, very close to reaching the \$275 million limit by the end of the fiscal year. Thank you.

**MS. BISARO:** Last question then. If we come close to that borrowing authorization limit, what do we do? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. To err on the side of caution in making sure that we have the ability to continue to pay all our required debts and bills and make payroll and all those type of things, we're going to put a bill on the table that's going to request that we raise that \$275 to \$300 million for the short-term. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. Committee, we're on page 5, Department of Finance, operations expenditures, deputy minister's office, not previously authorized, \$20.037 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Agreed. Office of the comptroller general, not previously authorized, negative \$175,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, \$19.862 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, we're on Education, Culture and Employment, operations expenditures, Education, Culture and Employment, not previously authorized, \$764,000. Ms. Bisaro.

**MS. BISARO:** Thanks, Mr. Chair. I wanted to ask a question with regards to the funding for start-up costs for implementation of Junior Kindergarten, \$375,000. I know that JK was a little bit delayed in terms of getting going in some places, and I know that some of the necessary construction projects to get JK where it needed to be were a little bit behind. I would like to know from the Minister whether these construction projects – I think they were about \$30,000 each maybe, give or take – have been completed. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Ms. Bisaro. Minister of Education, Culture and Employment, Mr. Jackson Lafferty.

**HON. JACKSON LAFFERTY:** Mahsi, Mr. Chair. Yes, there are three particular projects that this budget earmarked. There's Chief Julius School, Fort McPherson, the addition of washrooms for JK classes completed September 2014. Mangilaluk School in Tuktoyaktuk, also similar work, completed September. Also, Colville's school in Colville Lake. That's been completed this month, October.

So those are areas of JK infrastructure for the amount of money identified. Mahsi.

**MS. BISARO:** Thanks to the Minister of Education for that information. So, these projects have been completed, yet we have not yet approved the expenditure. It's my understanding that we have government policy that we're not allowed to spend money that hasn't yet been approved by the Legislative Assembly.

I'd like to ask the Minister of Finance or the Minister of Education, either one, but why is it that we have contravened our policy in regard to this particular expense? Thank you.

**HON. JACKSON LAFFERTY:** Yes, we're fully aware of that process itself. We had to construct these renovations into our school system before school started in September and before the JK started. So the only opportunity we had was over the summer while there were no students in the school system. That was the only opportunity that we had and we needed to move forward or else we would have been challenged with the space and the infrastructure, delivering Junior Kindergarten in these three particular schools. Mahsi.

**MS. BISARO:** Thanks for the explanation, but I'm sorry, that's not good enough. We have a policy which says that if money has not been appropriated, we can't spend it. The government had to go and approve two special warrants in order to get the funding to fight the fires this summer and special warrants have very specific criteria, but they had to do a special warrant because we had no legislative sitting where we could approve the funding for fire suppression. Yet in this case, albeit it's a relatively small amount of money, we have said oh, that's fine, go ahead, do the renovations to Junior Kindergarten, we'll just get the money later. Really, we should seriously be considering deleting this item because the work is completed. So why do we have to approve this funding at this point?

I'd like to ask the Finance Minister – this is a policy of Finance I thought – what does the Minister of Finance do to make sure that other departments are in line with the policies that we have for appropriations and spending before money is appropriated? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. There have been the required discussions about the issue that the Member raises, and if the money is not voted on or approved, then the department will be having to absorb those costs from their existing budget. But it's clear to all parties here that this is not the process that we have laid out to be followed. We have the issues before the House that have been identified by the Members and it's been dealt with entirely within the government and now we're here having judgment passed on this request. Thank you.

**MS. BISARO:** Thanks. Just one last comment. I appreciate that the Minister says that the situation is understood, that it's been dealt with, but it again goes to my feeling that it really doesn't matter what we think because stuff is going to happen and we'll hear about it after the fact. So I guess I do have a question.

I would like to ask the Finance Minister what he will do in the future to ensure that these sorts of things don't happen again, or will he change the policies so they can't. If this is the way we want to go, then let's change the policy, but let's not flout the policy and do the work that we think needs to be done before we have the appropriation. Thank you.

**HON. MICHAEL MILTENBERGER:** I would encourage the Member to think back that we manage a \$1.8 billion budget. We have supps on a regular basis and nearly 100 percent of the time, over 99 percent of the time the system works. We have an issue with this supplementary appropriation, which is a relatively small amount, as

the Member said, that didn't follow all the steps in the process, and we acknowledge that. There's no plan to change the process because it's a good process. There is a requirement and need to have the checks and balances and accountability to this Legislature and it's why we're here today laying this out, warts and all, for dispensation by the Legislature. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. Next we'll go to Mr. Dolynny.

**MR. DOLYNNY:** Thank you, Mr. Chair. I think Ms. Bisaro has set the tone and I do agree with the Minister, we do have a process for 99 percent of the stuff that we do and we've got an optional process for the other 1 percent. I think that's what the issue is here. If we do have a process, we need to follow that process.

I believe when it comes to spending money there are no shades of gray, there's just white or black, especially dealing with public funds. If it's our own piggybank or our own money then that's a different story. But when it comes to public funds, I believe there is no option. The rules are designed specifically for all parties to adhere to. There's a process in place. So when you look at the appropriation that we're approving now, after the fact, with respect to this \$375,000 for Junior Kindergarten, I can equally say that we have actually embarked on the Junior Kindergarten program without even doing the changes to the act itself to allow Junior Kindergarten to even go forward. We know that's coming down the road. Really, when you think about this, we have put the cart before the horse on many different levels, both from an operational point of view of Junior Kindergarten, not to mention the physical changes that were required for the number of schools that we are launching it in. I am really disappointed.

Again, to echo what we have already heard, there was no notice of this happening. We found out as we prepared for the business planning cycle a couple of weeks ago, and yet we knew the renovations would have had to have been approved during the summer months to allow the school season to start. Again, there is a huge gap in communication. That element of surprise is showing itself once again in this appropriation document, even though we are hearing that, well, we don't intend to do this, but we recognize that things are moving fast and we have to move quickly because, God forbid, we don't want the wheels on the bus to fall off here. Clearly, once again I state, Mr. Chair, we have got optional programs here, it is a pick and choose program at the whim of Cabinet.

I am going to leave it at that. I think Ms. Bisaro did a fine job of bringing it to light and I just wanted to add a little bit of my opinion to the subject.

With respect to this \$375,000, my concern is, is this new money that we're appropriating or is this

money that was used from surplus, from DEAs, DECs or school boards? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chair. It's new money. Thank you.

**MR. DOLYNNY:** So again, I'm trying to do the math. I'm assuming these appropriations are coming out of short-term cash, and what we've heard from the deputy minister, when I asked a question with respect to the \$20 million to mitigate the low water rate rider, with that appropriation the equal sign on our bank account, the drawdown was \$225 million. Again, I do ask... Maybe I should rephrase my question and it might help when we get to the next page here. If we were to look at all the appropriations that we have before us, both in operations and I know we are going to be doing infrastructure after that, can we have some indication as of today, or within the last week, where are we exactly on our short-term borrowing line with respect to all the appropriations and all of the demands on the short-term account? Are we really at \$225 million, say, as of today? Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Dolynny. Deputy Minister Aumond.

**MR. AUMOND:** Thank you, Mr. Chair. As I said, as of October 14<sup>th</sup> we were at \$225 million. Depending on the outcome of the deliberations of the Assembly on the supp bills, our expectation is that we would be close to the \$275 million borrowing limit by the end of the fiscal year. Thank you.

**MR. DOLYNNY:** So now we are dealing with whole numbers. Again, as we just heard, if both appropriations go forward without a hitch and they're approved, we have just heard that we are right up to the line of the \$275 million probably as of today. Once these appropriations get approved, I'm assuming it's a triggering mechanism and the monkey flips the switch and the bank accounts are withdrawn.

We also heard from the department here today that we would be inching close to the debt limit of the \$275 million "near the end of our fiscal year." Our fiscal year, I believe, does not end until March 31, 2015. So we have already heard today that we are already, by virtue of these appropriations, going to be there and then somehow magically we're going to have some type of money to play with in our short-term line between now and March 31<sup>st</sup>.

Can I get some clarification as to if we are at our line today? Basically what we have heard, by what methodology, by what cash flow management system are we going to be paying the bills with, with this government, between now and March 31, 2015? Thank you.

**MR. AUMOND:** As I said, as of October 14<sup>th</sup> we have a cash deficit of \$225 million. Between October 14<sup>th</sup> and March 31<sup>st</sup> we'll have cash coming in and cash going out on a regular daily basis. So based upon what is up for deliberation in the House today and perhaps tomorrow with the supplementary appropriations, both O and M and infrastructure, along with some other assumptions around some other costs that we may be taking that we would normally see through O and M supp that we would consider in the February/March session, and some other assumptions, if we take all that into consideration, we expect that by March 31<sup>st</sup> we will be under the \$275 million internal line of credit, somewhere between \$10 million and \$15 million. Thank you.

**MR. DOLYNNY:** So again we are getting more clarity in terms of where we are with our short-term borrowing, that during the course of daily operations of the government, cash in, cash out, paying our bills, all that kind of stuff, it sounds like we have very little wiggle room on our short-term borrowing, that we are really financing this government on cash surpluses between now and March 31<sup>st</sup>, which doesn't leave us a lot of opportunity to deal with any type of mitigating circumstances should they arise.

Does the government foresee, outside of the normal appropriation program that we have before the House here, do you foresee any mitigating circumstances on the horizon that would put this number dangerously over this \$275 million cushion that we have in our Borrowing Act? Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. We have captured all the numbers that we think are going to be there between now and the end of March. But as I indicated earlier, in order to err on the side of caution and to make sure that we have enough room to respond and to keep the government operational, we're going to come forward with a request, through legislation, to increase that amount from \$275 million to \$300 million. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Next I have on my list Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chair. I want to ask the Minister, with regards to Junior Kindergarten and the work that needs to be done in some of the educational facilities in the communities. Just hearing from Ms. Bisaro and the response back from the Minister and the Education Minister, are these works and are these some of the special situations we run into when we want to implement infrastructure to support programs and services, something not present but we have done to help the community to implement a program and sometimes it doesn't work, sometimes according to

text and I believe there is some grey area as to what Mr. Dolynny said is black and white, but sometimes there are areas where you have to look where it can be best suited to support the programs that the communities are asking for. Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chair. The Member is correct in this case. Building season and the school year got way ahead of the legislative and budgetary process that we run and we are currently in. So the Member is correct. There were commitments made. There was a need to be ready and so the work was, certainly in these instances, done, contrary to what the law of general application for supplementary appropriations and getting approval before you spend the money, in order to meet the program needs, as the Member alluded to. Thank you.

**MR. YAKELEYA:** What would be the consequences? Would the onus fall on our government if we said to the educational boards, sorry, we have to follow process here. I guess I'm looking at what would be the consequences if we didn't do this and follow the process as outlined and agreed by this Assembly as to how do we approve expenditures.

**HON. MICHAEL MILTENBERGER:** As I indicated, this money is new money. It's not money coming out of the various school boards. Should the money not be approved, then Education, Culture and Employment would be absorbing that cost from their existing budget.

**MR. YAKELEYA:** Okay. Thank you. It's clear to me and certainly I'm going to lend my support to this supplementary. We know that the challenges have to be given special consideration and some of the issues that we have to work with in our small communities. I have no more issues on this one.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Yakeleya. I'll take that as a comment. Does the Minister have follow-up? Committee, we're on Education, Culture and Employment, operations expenditures, Education, Culture and Employment, not previously authorized, \$764,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, \$764,000. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. I'm wondering what incremental cost actually refers to on the implementation of the three-year Education Renewal and Innovation Action Plan.

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

**MR. LOVELY:** The department funded a number of initiatives internally and the balance is coming through on this supplementary appropriation. We

have the information here. If the Member would like, we can provide that.

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

**MR. BROMLEY:** Mr. Chair, that would be useful. Thank you. I'm sure Social Programs has that information, but that would be useful.

Are we expecting additional requests in subsequent years, I guess, or will those be funded out of the internal budget? Do we know at this point in time?

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. Once the start-up is over, the anticipation is that it would become a part of the regular budgeting process and not necessarily through the supplementary appropriation process.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. Committee, we're on total department, not previously authorized, \$764,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, we're on Department of Industry, Tourism and Investment, operations expenditure summary, mineral and petroleum resources, not previously authorized, \$400,000. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. Am I right in believing that this is an extension of a past, I believe, three-year contract, and if so, was that provided for in the original contract and when would this go out for RFP for competition to see if we could reduce this cost?

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

**MR. AUMOND:** I believe we provided this information to committee just today, but the \$400,000 is the incremental cost for a contract. The Department of ITI had, I believe, \$2 million in their budget for the diamond evaluation work for the contract, but the contract negotiations came in about \$400,000 higher, which is why we're here seeking the supplementary appropriation there. It was a contract that was previously held by the federal government with this proponent. The contract was not assigned at the time of devolution but was, rather, negotiated with the proponent and the negotiations weren't complete by the time the budget process was completed for '14-15 and came in, as I said earlier, \$400,000 over the appropriated budget amount and now we're seeing an additional \$400,000 for that purpose.

**MR. BROMLEY:** I appreciate that information. So this is a 20 percent leap in this contract. That seems like a pretty steep increase in a year. Have the value of diamonds gone up by 20 percent? Again, I'm assuming that this was not an RFP, but

was this contract a competitive thing, and if not, will we be contemplating that in future years?

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

**HON. MICHAEL MILTENBERGER:** The current contract was a negotiated contract, and I'd ask the Minister about the future years and what the intent of the department would be.

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

**HON. DAVID RAMSAY:** Thank you, Mr. Chairman. The deputy minister outlined the reason why we sought the increase of \$400,000. The Member is right; the value has increased on rough diamonds and evaluation services. It's the funding that we require to provide the service, and the company that we're working with has the experience to deliver the service that the Government of the Northwest Territories requires in evaluating diamonds.

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

**MR. BROMLEY:** Thank you, Mr. Chairman. I guess, am I correct in hearing in that answer that this will not be put out for competition in the future?

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chair. I just note that there's a clause in the current contract that does also allow for a three-year extension of the current contract.

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

**MR. BROMLEY:** Thanks, Mr. Chair. If we're looking at a 20 percent increase every year, would the government exercise that clause without going to competition?

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

**MR. AUMOND:** Thank you, Mr. Chair. My understanding is that this is the cost for the contract per year and we're not looking at a 20 percent increase per year over the next subsequent years of the term.

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

**MR. BROMLEY:** Thank you, Mr. Chair. So, at the end of the three years, would we be going out for a competition on this contract?

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

**HON. DAVID RAMSAY:** Thank you, Mr. Chair. I guess that would be determined based on a number of factors, and three years from now I guess we'd be able to answer that question.

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

**MR. BROMLEY:** Yep, 18<sup>th</sup> Assembly. No more questions.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Bromley. Committee, we're on Industry, Tourism and Investment, operations expenditures, minerals and petroleum resources, not previously authorized, \$400,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, \$400,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, we're on Environment and Natural Resources, operations expenditures, forest management, special warrants, \$47.411 million. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. This is the second of several very costly events. We've still to deal with the third one, the Mackenzie River water levels and what that's costing us. But this is the third event that is completely consistent and in line with the impacts and consequences of climate change. In the space of a few minutes here we've been discussing now \$67,411 million. Sorry, it's a little bit more than that. Twenty million, it's actually more than \$20 million. These are very serious numbers that we'll be looking at today and in the future.

When we talk about a reduced cushion of \$92 million in our borrowing limit and we are dealing with unexpected expenditures of 40, 20, 50 and 20, that's something like \$160 million or something like that and we are just over halfway through the year. We know we could be up against it here.

The perspective is, I think, times are changing. When we look at our fiscal strategy over the seven years that I have been a politician, having to bump up and continually request an increase in our borrowing limit and so on, this is of some concern. I don't see us yet reacting with the insights that this is in fact a changed world and so that's of even greater concern.

One question I have on this, and this is a reality. We needed to spend these monies so I'm not arguing with that, and I do appreciate all the work that our fighters did on the forest fire front. I guess I have two questions. Is this the end of it for our fire budget this year or can we expect more expenditures to be discussed? Secondly, no operation this size is done without any hitches, and I believe there were some hitches that need to be reviewed and discussed so lessons can be learned. When can we expect that review to be done in a thorough way and reported to the House? Mahsi.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. The final accounting is not done. We do have now a final number and we've provided the preliminary base numbers to committee, but there will be a requirement to come back for an additional \$3.9 million in the winter session.

The annual comprehensive review and debriefing of the fire season that we've just finished is being done. We anticipate early in the new year being able to share that in detail with committee and the Legislature. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Mr. Miltenberger. Committee, we're on page 8, Environment and Natural Resources, operations expenditures, forest management, special warrants, \$47.411 million. Mr. Yakeleya.

**MR. YAKELEYA:** Mr. Chair, the fire season certainly was terrible down here on the south end of the Territories. Knowing the conditions, knowing that we might have had a bad fire season, knowing the conditions and the dryness, is there any other area that has similar conditions down here? People are saying that it's so dry down in the south part of the Northwest Territories, it's prime condition for a fire. If the fire does go, it is so dry it will take off really fast and it's something that we were expecting. Given this and in follow-up to Mr. Bromley's questions on the review and looking at all of the good things and all the worst of the fire season and given that we have no water – there are many factors – were these conditions for the perfect storm of fire season?

We had it here. We know the amount of money that we spent, and I'm very happy to hear that the Minister is going to involve the committee at some time through the review of asking questions or presenting the review to us on the fire in the south part of the Territories. Was this the season of all seasons of a perfect storm of fires that it was, as they say, waiting to be lit? We're experiencing low water in the Mackenzie River this fall. There are a number of factors that come into play in this fire season. Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. The Member's question is consistent. What he's asking is consistent with the concerns being raised by Mr. Bromley about extreme fire events, not just fire events but extreme weather events, changing rain patterns. If you look, it's hard not to see it wherever you look in the news. If it's here, if it's California, if it's down in Brazil, it's down in Africa, all over the world, if it's not flooding there's enormous long-term drought and unpredictability. To the issue of...(inaudible)...where they used to be able to predict whether within a fairly set range is gone for the most part.

This is the worst fire season we've ever had. We hope it remains on the record as the worst fire season we've ever known and that next season and those after will hopefully moderate, but we know now how extreme it can be. We have a bar that's set and we now know what it could mean if we have a summer again like we just did. We'll be having the discussions about how do we cope, the same as those areas are coping where there's enormous fires or tidal surges that cost hundreds of billions of dollars in damage around the world and are tied again back to the weather and the climate change. Thank you.

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

**MR. YAKELEYA:** No, thank you, Mr. Chair. Thank you.

**CHAIRMAN (Mr. Bouchard):** Committee, we're on forest management, special warrants, \$47.411 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Wildlife, not previously authorized, negative \$43,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Water resources, not previously authorized, negative \$240,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, special warrants, \$47.411 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, negative \$283,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Committee, we'll move on to Department of Lands, operations expenditures, planning and coordination, not previously authorized, \$23,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Total department, not previously authorized, \$23,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Does committee agree that we've concluded consideration of Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Ms. Bisaro.

COMMITTEE MOTION 93-17(5):  
 CONCURRENCE OF  
 TABLED DOCUMENT 155-17(5),  
 SUPPLEMENTARY ESTIMATES  
 (OPERATIONS EXPENDITURES),  
 NO. 2, 2014-2015,  
 CARRIED

**MS. BISARO:** Thank you, Mr. Chair. I move that consideration of Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015, be now concluded and that Tabled Document 155-17(5) be reported and recommended as ready for further consideration in formal session through the form of an appropriation bill. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bouchard):** Thank you, Ms. Bisaro. Committee, the motion is on the floor. The motion is being distributed. The motion is in order and is not debatable. Motion is carried.

---Carried

Tabled Document 155-17(5) will be reported and recommended as ready for consideration in formal session through the form of an appropriation bill. Thank you, committee.

Committee, we will move on to the next tabled document, which is Tabled Document 154-17(5), Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015. Does the Minister have opening comments?

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chair. I am here to present Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015. This document provides for an increase of \$48.928 million to the capital budget.

The most significant items in this supplementary estimates are:

1. \$40 million for the Department of Transportation to respond to revised cash flows required to accommodate the accelerated construction schedule of the Inuvik to Tuktoyaktuk Highway Project;
2. \$2.9 million for the Department of Environment and Natural Resources, \$2.6 million for the Department of Industry, Tourism and Investment, and \$1.4 million for the Department of Public Works and Services to recognize the tangible capital assets that were transferred to the GNWT upon devolution implementation;
3. \$700,000 for the Department of Transportation to replace the existing lighting system at the Norman Wells Airport; and
4. \$330,000 for renovation upgrades at Chief Julius, Mangilaluk and Colville Lake schools to accommodate Junior Kindergarten.

I am prepared to review the details of the supplementary estimates document. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister. Does the Minister have witnesses to bring into the House? Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bouchard):** Sergeant-at-Arms, please escort the witnesses into the Chamber.

Minister Miltenberger, could you introduce your witnesses, please.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. We have at the witness table Mr. Russ Neudorf, deputy minister of Transportation; Michael Aumond, deputy minister of Finance; Olin Lovely, the director of Management Board Secretariat.

**CHAIRMAN (Mr. Bouchard):** Thank you, Minister Miltenberger. Committee, we'll begin with opening comments. First on the list I have Mr. Dolyunny.

**MR. DOLYNNY:** Thank you, Mr. Chair. I'd again like to welcome the Minister and department here today regarding the supplementary appropriations of infrastructure before us. Really there is one line entry that I'd like to do some general comments on, which probably is the bulk of the appropriation for us for \$40 million, which is the adjustment in cash flow for the Inuvik-Tuk highway.

As mentioned in the Minister's opening comments, they're to accommodate an accelerated construction schedule. This has also been discussed a couple times here in this sitting, so I don't want to get into the details. We've heard some of them already before on the floor of the House, but I do want to say, first and foremost, that I supported this project. I believe this is an important piece of infrastructure for the Northwest Territories. I believe it's a vital link between north and south and I just want to make that clear. I believe what we're embarking on is something good for our overall transportation system and to the people of the Beau-Del.

So I want to really emphasize that my concern here today is not really about the project management that might come up in discussions with other Members here, I believe that's not the area of concern. The area of concern that I think Members have, as I have discussed many times here, is our financial position as a government and the fact that we have gotten very close to our debt wall or wall of worry, I like to remind folks. The fact is that we are now accelerating this project at lightning speed and things are moving pretty fast again and we've got some pressing values, as the Minister likes to remind us.

I'm concerned, like many, that by pushing this project forward in the speed that we're doing, the cash flow to this government is going to be compromised. There's going to be a hampering, if you will, that other projects could be affected as a result of this accelerated process. Let me remind



people who are following in on this that we're not just talking about a \$40 million accelerated appropriation in this appropriation, we're also talking that has yet to be discussed, but it is tabled, that we have another \$20 million on the Inuvik-Tuk highway, as well, in the capital estimates. So really, in essence what we're saying is we're accelerating this project by virtue of over \$60 million in this fiscal year, which means that when you've got tight cash flow the question is, can we afford it, and I think that's an important question.

It's a question that I believe that we need to hear the soothing words of Cabinet, we need to hear the soothing words of the Finance Minister or a designate, can we afford this accelerated cash flow making sure nothing under any queue or the order of government in terms of where we're spending our money next is, or will be, affected. I think it's an important question. This ship has sailed. I don't want to put any kibosh... I don't want to put any concern that I'm going to vote no to this. I will be supporting this appropriation, but I need to understand the money. I need to understand the cash flow because I think that's the element that is missing here. I will have a question in a second here with respect to the negotiated contract itself in terms of how we formulate it because of the concern of this cash flow.

With that, I think it's important, I'll just maybe talk about that now, is that it appears by design, the way we have this contract for the construction of this road, that the contractor has no restrictions in terms of accelerating the program. We have no restrictions on the contract to put any failsafes on this accelerated speed and we have no restrictions on cash flow or time. So what worries me, and I'm not sure if this is precedent, and if it was a smaller project I probably wouldn't be as concerned because of the smaller value of cash, but we are talking literally by virtue of one of the largest projects we have on our books. We're talking an appropriation which is quite large here and I'm concerned that the way we designed our contract, a contractor could accelerate their project and the taxpayer is literally obliged to follow in using monies that may not have necessarily been earmarked for that fiscal year, which could put a hampering on cash flow.

So again, just to summarize, I'm not concerned about the project management issue here. If the contractor is ambitious and has proven the ability to build this highway quicker than agreed upon, that's good news. I'm supportive of that. I mean, I'm assuming we've got people on the ground, we've got the people in place as project managers to make sure that that will be successful. The question I have here is the affordability of an accelerated cash program and the debt wall that we've just heard earlier, the fact that we are inching to that \$275 million benchmark in our short-term

borrowing. The fact that we've neared and will be surpassing that \$100 million cushion in our long-term borrowing, this definitely will have an impact on our cash management and our debt borrowing capacity for the remainder of the life of the 17<sup>th</sup> Assembly.

I think the Minister and the Finance department have heard me speak about this before. This is nothing new to their ears. Maybe if we can get clarification on impacts of this accelerated cash flow on the borrowing and whether or not it will affect other projects.

The third element in this comment is, you know, is this the standard process for doing negotiated contracts where the contractor nor us, as the project manager, have any controls or restrictions on either cash flow or time constraints for the job completion?

So if I can get some clarification in those three areas, it would definitely shed a lot of light and even make my support even that much more enthusiastic. But again, I will support the appropriation, but I definitely need to hear that clarity moving forward. Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. We have built this project into our fiscal framework. We've built the \$40 million into the current fiscal framework and we can manage our way through this. There is a four-year contract. The first three years are where the bulk of the work is done. Embankment construction is the key piece. The first year got off to a slower start than was anticipated just because of the logistics of bringing in many, many millions of dollars of brand new equipment and getting the manpower up and running, the systems working and everybody doing business. It's accelerated only insofar as it is trying to catch up for the work that he didn't get done the last building season because of the slow start-up. So the intent is still to comply with the schedules that are in the contract, which are the checks and balances that Mr. Dolynny was worried may not exist.

Three years and the concern is with that three-year schedule to get most of the embankment work done. The need is to make sure that the resources are there to be drawn down to allow that work to happen, and that if in fact the resources weren't there and the contractor wasn't able to do the work because there wasn't resources to keep him at the work, that at the end of the day there could be significant costs, \$30 million to \$40 million of costs because of that contractor having to down tools and stop the project.

The cash flow is there. I will ask the deputy to speak to some of the numbers. I would point out

that the numbers we were talking about in the last Assembly about where our short-term borrowing is at \$260 million at the end of this fiscal year includes all the charges tied to this, but I will ask the deputy to provide a bit more detail. Thank you.

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

**MR. AUMOND:** Thank you, Mr. Chair. As the Minister stated and when we were talking about the O and M supp, he said that the fiscal framework and our numbers that we have around borrowing contemplated all these issues, and I mentioned cash in and cash out.

With respect to the Inuvik-Tuk highway specifically, if you look at the \$40 million that's proposed to be advanced along with the about \$24 million in expenditures that they are planning on taking with the remainder of the fiscal year with the money that they already have in the budget, that money would be offset by just over \$71 million in revenue from the Government of Canada for its share of the project. In total, when you look at what is contemplated between the O and M supp and the capital supp in addition to the other costs that I talked about, they come forward in the February/March budget session in terms of a supplementary appropriation, for a net impact of about \$45 million in additional debt over that period of time from October 14<sup>th</sup>, when we are at \$225 million, and at the end of March 31<sup>st</sup>. Thank you.

**CHAIRMAN (Mr. Bouchard):** Thank you, Deputy Minister. Next on my list I have Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. I want to focus in, as well, on the rather extraordinary request for an additional \$40 million this fiscal year, tens of millions of dollars the following fiscal year to be brought forward in our capital budget. We have already heard about unexpected expenditures of \$50 million and \$20 million. That's \$70 million. Possibly it's more than that in our operating supp here today. Now we are pushing this \$210 million, \$230 million in unexpected expenditures at this moment in time and with the schedule proposed.

I ask myself two questions. The first is: Is this a prudent decision to make, given what we know about unexpected expenditures already this year and the new world of climate change with the consequences that we are realizing? Number two, does this request need to be this large, or are there options later in the year to adjust the budget based on actual performances up to that time starting with an examination of is this prudent? I have serious cash flow concerns based on the information provided by the Minister. We have already heard, just a few minutes ago, that our \$100 million cushion will be disappearing this fiscal year. In fact, projections are very possible that that cushion could be down to below \$10 million for the 18<sup>th</sup> Assembly

and especially if we have further unexpected expenditures or continue on this course.

We have already heard that the unexpected expenditures will reduce our borrowing limit, as I mentioned, \$70 million so far in the operational supp, and we are only seven months into the year, so who knows what to expect, and again, we know that Mackenzie River difficulties with water level will have unexpected costs with that.

Our supplementary reserve, which is intended for these sorts of things, will be overspent by hundreds of percent. Again, this reflects on how well we are managing our budgets: hundreds of percent beyond what we have designated as our supplementary reserve. What has been the performance to date? Is this an extremely high-performance company that's doing this work? The goal was 30 kilometres last winter. Only nine kilometres were completed so that we could not even recover the first federal loonie that we were promised to collect for every 10 kilometres that we completed. Not a sterling performance, albeit there's all kinds of reservations on that. This was a start-up project and so on. There was a lot of training to be done and so on.

What else would I consider on whether this was prudent or not? We've learned that after only one season of freshet, or spring melt, the Department of Fisheries and Oceans and others have identified six serious environmental concerns that had to be remedied through redesign and mitigation work. That's one season of melt in this extremely tough arctic environment where roads have rarely, if ever, been built like this before.

Finally, there is still no complete design for the critical 10 kilometres and the middle of this road or towards the northern end where the road, in fact, crosses the remnant Wisconsin ice glacier of long ago which, we've realized through research in the recent year or two, lies just beneath the surface and is presenting incredible challenges to our engineers.

Also, many subcontractors for this huge project exist and they've made commitments that are not consistent with an expedited schedule here. That is something that perhaps through one way or another could be dealt with. I don't know, but I would think we'd want to. We've tried to push hard to include northern content, so I would think we'd want to try and deal with that.

Finally, there were 325 employees during the first year. The proposal is for 600 employees this coming winter. Now, talk about a training challenge. This project was justified, really, on the basis of economic activity for a depressed region of the NWT. I suspect those 600 employees, a lot of them will be coming from the south. How well does that serve the reasons for this project?

In conclusion, I would say it is imprudent at this time to be letting out such an advanced schedule of expenditures.

My second question, and that's a clear conclusion based on lots of evidence and reasoning, the second one, does it need to be this large? It certainly doesn't. This is a premature request. I've already mentioned we're not in the best fiscal situation to be doing these sorts of things. I've already mentioned the record of performance to date, but there is a window of opportunity for all of that to change or go even more severely in that direction. To me, it would seem prudent to wait until we next gather in early February, 4<sup>th</sup> of February, at which time we could approve additional expenditures for this project.

The season starts in November and goes through April. That's what? Seven or eight months – November, December, January, February, March, April – so there's plenty of time. Surely they would have the dollars to get them started and well into the winter. If they need another \$10 million or \$15 million, that is what the request should be to get them to that point in time. This, to me, would be a prudent approach. Then we could easily deal with a request based on actual evidence. What a concept.

Does it need to be this large? No, it doesn't. Is it prudent? No, it's not. I know that the Minister is aware that the unexpected expenditures could go up dramatically in the next several months as well. I'll leave it at that, Mr. Chair. Thank you.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I'll touch on a number of items and then I'll ask Mr. Neudorf to speak to some of the more technical issues.

As we talk about the borrowing limit, we have the soon-to-be resolved issue of the borrowing limit of the federal government to be dealt with. I can say with confidence that the borrowing limit's going to go up. The issue that has not been determined is how much. That's an issue that is coming to fruition here in the very near future.

This project was four years and the majority of the work was scheduled for three. We have a northern contractor that is now up and running. We've been told clearly that there's been no other road built in this type of condition and this type of geography or terrain anywhere, one maybe in Russia. Now we have one year under our belt and we know that we have crews on that road that are probably the most experienced northern road builders anywhere because of just that fact, that they're building in an area that's challenging and there hasn't been a road built before and now we're doing that. We've learned that from our initial estimates, before we turned a wheel, the cost that we estimated need to

be adjusted. We figured that might have to be adjusted. Now, after a year under our belt, we know that we need to adjust so that we can keep with the contract. Three years of road of magnum building finished by year of putting the finishing gravel on and dealing with the settling, so it's on target that way. We're trying to catch up because, yes, the contractor didn't get as much road built as he thought the first year. As Mr. Aumond pointed out, the deputy minister, as we look at moving this money, the majority of that money that we're advancing is going to be reimbursed to us by the federal government. On every 10 kilometres we can claim a payment. We know that that money is coming.

The northern workforce, 75 to 80 percent last year and the contractor figures he will be able to hit that target again this year, 75 to 80 percent northern workforce, which to me is a very, very credible, laudable achievement and should be recognized.

The issue of the fisheries, the standard practice for road building has been you build a road, then you go cut in the culverts after you build a road. Well, the learned experience after a year is we had to change that approach to avoid what happened in those six instances where there was some washouts and water issues. We have learned and we have adjusted and we move on. Now we put in the culverts as we go and we'll avoid those problems in the future.

I also want to point out that this project, the first year, while it didn't get all the road distance in, the majority of the bridges and culverts were put in in the first year. So we wanted this project to proceed. It's catching up to the schedule that was agreed to in the contract. So when we say accelerated, it's trying to make up the time and distance in road construction the first year and we believe we can do it. We have proven northern contractors at both ends of the road that are meeting those targets.

I would ask the deputy minister of Transportation if he would want to fill in any points that I indubitably missed because I'm not a road builder.

**CHAIRMAN (Mr. Dolynny):** Deputy Minister Neudorf.

**MR. NEUDORF:** Thank you, Mr. Chair. Just to add one comment perhaps. That's about requiring a contractor to be as cost-effective as possible. Our main objective was to ensure that the project is delivered on budget, the \$299 million budget. To do that, the contractor came up with this schedule which, as the Minister pointed out, was three years of embankment followed by a year of cleanup and final surface and gravel. In order to meet that budget, he needed to have that schedule. That's the requirement for the adjustment to the cash flow, which is a different cash flow than what we had originally proposed when DOT had schemed up that project back in March 2013 when the budget

was first approved by the Assembly. We are just looking for an adjustment to the cash flow for the project. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Deputy Minister Neudorf. Committee, I would like to draw your attention to the gallery today. We have with us joining our proceedings this afternoon, Ms. Gloria Ann Campbell from Tulita, who is with the Chief Albert Wright School looking after our Pages today.

---Applause

Committee, noting the clock, I will rise and report progress. With that, I would like to thank our witnesses here this afternoon. If I can get the Sergeant-at-Arms to 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. Dolynny?

**MR. DOLYNNY:** Thank you, Mr. Speaker. Your committee has been considering Tabled Document 155-17(5), Supplementary Estimates (Operations Expenditures), No. 2, 2014-2015, and Tabled Document 154-17(5), Supplementary Estimates (Infrastructure Expenditures), No. 4, 2014-2015, and would like to report progress with one motion adopted and that consideration of Tabled Document 155-17(5) is concluded and that the House concur in those estimates and that an appropriation bill to be based thereon be introduced without delay. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you.

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

---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 Thursday, October 30, 2014, at 1:30 p.m.:

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

10. Returns to Written Questions
11. Replies to Opening Address
12. Petitions
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
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 Expenditure), No. 4, 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 Thursday, October 30<sup>th</sup>, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 6:05 p.m.