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The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Table of Contents

Prayer	1059
Ministers' Statements	1059
59-16(2): GNWT Energy Programs and Initiatives (B. McLeod)	1059
60-16(2): Scotland Exhibit (Lafferty)	1060
61-16(2): WSCC Mine Rescue Competition (Miltenberger)	1060
Members' Statements	1061
Northern Exploration Expertise Development in the Beaufort Sea (Krutko).....	1061
Environmentally Sound Modes of Transportation (Bromley).....	1061
Return of Service Bursary Program Recipients (Abernethy).....	1062
Maintenance and Continuation of the GNWT Business Incentive Policy (Menicoche)	1062
Equal Shared Parenting Rights (Ramsay)	1063
Homeless Support Services in Northern Communities (Groenewegen)	1063
Condition of the Mackenzie Valley Highway (McLeod).....	1064
Reducing the Cost of Electricity in the North (Hawkins).....	1064
Infrastructure and Services in Tu Nedhe (Beaulieu)	1064
Condolences to the Pagotto and Jodrell Families (B. McLeod)	1065
Oral Questions	1065
299-16(2): Oil and Gas Development in the Beaufort-Delta (Krutko).....	1065
300-16(2): Repayment of Outstanding Return of Service Bursaries (Abernethy)	1066
301-16(2): Efficient Operation of the NWT Power Corporation (Hawkins)	1067
302-16(2): Support for Non-Resident Transients (Groenewegen)	1068
303-16(2): Transfer of Responsibility from North to South Slave Regional Office (Beaulieu)	1070
304-16(2): Environmentally Friendly Modes of Transportation (Bromley).....	1070
305-16(2): Equal Shared Parenting (Ramsay).....	1071
306-16(2): Location of the Arctic Research Institute (McLeod).....	1072
307-16(2): Water Quality Standards (Menicoche).....	1073
308-16(2): Train Tracks on the Deh Cho Bridge (Abernethy)	1074
Written Questions	1075
21-16(2): Aboriginal Employment Statistics in MACA (Beaulieu).....	1075
22-16(2): Return of Service Bursaries (Abernethy).....	1075
Notices of Motion for First Reading of Bills	1075
Bill 12 - An Act to Amend the Human Rights Act	1075
Consideration in Committee of the Whole of Bills and Other Matters	1075
Main Estimates 2008–2009 Department of Education, Culture and Employment.....	1076
Main Estimates 2008–2009 Department of Industry, Tourism and Investment.....	1078
Committee Motion 39-16(2): That the Department of ITI Review its Management Structure to Bring Senior Management Positions Into Proportion with Total Positions in the Department (Committee Motion Carried)	1084
Committee Motion 40-16(2): That the Department of ITI Review Organizational Structure to Ensure All Opportunities for Decentralization are Maximized and Include this Initiative in Business Plans (Committee Motion Carried)	1085

Committee Motion 41-16(2): That the Department of ITI Develop a Strategy to Increase Aboriginal Employment in Management Positions and Include Strategy in Business Plans (Committee Motion Carried)	1085
Committee Motion 42-16(2): To Reinstate \$100,000 in Contribution Funding for the Diavik Socio-Economic Agreement Under the ITI Minerals and Resources Activity (Committee Motion Carried)	1090
Committee Motion 43-16(2): Development of a Strategy to Support Traditional Economies (Committee Motion Carried)	1103
Committee Motion 44-16(2): To Defer Consideration of the Operations Expenditures (Committee Motion Carried)	1105
Committee Motion 45-16(2): To delete \$1.5 Million from Tourism and Parks for Parks Renewal (Committee Motion Carried)	1106
Report of Committee of the Whole	1112
Orders of the Day	1112

**Yellowknife, Northwest Territories
Tuesday, June 10, 2008**

Members Present

Mr. Abernethy, Mr. Beaulieu, Ms. Bisaro, Mr. Bromley, Hon. Paul Delorey, Mrs. Groenewegen, Mr. Hawkins, Mr. Krutko, Hon. Jackson Lafferty, Hon. Sandy Lee, Hon. Bob McLeod, Hon. Michael McLeod, Mr. McLeod, Mr. Menicoche, Hon. Michael Miltenberger, Mr. Ramsay, Hon. Floyd Roland, Hon. Norman Yakeleya.

The House met at 1:30 p.m.

Prayer

Prayer.

Speaker (Hon. Paul Delorey): Good afternoon, colleagues. Welcome back to the House. Members, this week we have included an additional audio component as part of the Assembly's new broadcasting system. To assist us, we have interpreters in the House all week. Yesterday and today we have interpretation in Chipewyan. Wednesday and Thursday we will have North Slavey interpretation and on Friday, Inuktitut.

We are rebroadcasting our proceedings throughout the Territories, and this week we'll include the audio tracks in the three aboriginal languages translations to the communities currently receiving our feed. This is part of the preparation being made to offer our proceedings in all of our official languages to viewers across the Northwest Territories. Thank you, Members.

Item 2, Ministers' statements. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bob McLeod.

Ministers' Statements

MINISTER'S STATEMENT 59-16(2)
GNWT ENERGY PROGRAMS AND INITIATIVES

Hon. Bob McLeod: Mr. Speaker, on behalf of the Ministers' Energy Coordinating Committee I would like to provide Members of this Assembly with an update on a number of the programs and initiatives that have been identified to address the energy challenges that we face in our territory.

Our efforts in this regard continue to be guided by the Energy Plan and Greenhouse Gas Strategy released in 2007, which introduced a wide range of tools and incentives to address the rising costs of energy and the growing impact of our energy use on the environment. To this end, our work has included the following key initiatives: investment and development in wind energy, highlighted this past year by the very successful Tuk Wind Conference, the creation and introduction of the

Alternative Energy Technologies and the Energy Efficiency Incentive programs, an increasing number of home energy audits and retrofits, and continued investment in the Taltson hydroelectric expansion that will enable our diamond mines to replace their use of diesel and contribute to the reduction of greenhouse gas emissions.

Mr. Speaker, the Arctic Energy Alliance plays a key role in our ongoing efforts to deliver energy programs and promote energy awareness and information. I am pleased to say that our increased support over the past year has allowed the alliance to enhance their presence and programming in our communities. As a result, NWT residents in communities are playing an ever-increasing role in the management of their energy use and participating in global efforts to address climate change.

Energy conservation and efficiency are immediate and effective responses to our energy challenges. In the long term, however, we must also identify renewable and alternative energy solutions to reduce our fundamental dependency on diesel for heating and electricity generation in our communities.

A key initiative in the coming year will be the development of the NWT Hydro Strategy to ensure a lasting legacy of clean, affordable power for future generations. We will also build on the success we have seen in the use of wood pellets by examining the potential use of biomass for both heating and electricity generation.

In the coming year we will be working with Members of this Assembly and NWT residents to advance the Review of Electricity Rates, Regulation and Subsidy Programs. This review will include an examination of the capital costs that contribute to higher power rates in our communities. We will also consider changes that might be made with the NWT Power Corporation as a result of the electricity review.

The energy initiatives being advanced by the Ministers' Energy Coordinating Committee directly support the overall efforts of the Reducing Cost of Living Strategic Initiative Committee, and I will continue to work closely with the Hon. Sandy Lee,

the chair of that initiative committee, as we advance efforts to manage the cost of living in the Northwest Territories. I would ask all Members of this Legislature to support the actions and investments towards a sustainable energy future for all residents of the Northwest Territories.

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mr. McLeod. Ministers' statements. The honourable Minister responsible for Education, Culture and Employment, Mr. Lafferty.

MINISTER'S STATEMENT 60-16(2)
SCOTLAND EXHIBIT

Hon. Jackson Lafferty: Mahsi, Mr. Speaker. [English translation not provided.]

Mr. Speaker, almost five years ago the National Museum of Scotland, the Tlicho government and the University of Dundee, in partnership with the Prince of Wales Northern Heritage Centre, developed an exhibition of Dene artifacts from the collections of the National Museum of Scotland. These artifacts were collected from locations in the Northwest Territories in the mid-1800s and are regarded as one of the world's best collections from this time period. This exhibition, titled De T'a Hoti Tseedá: We Live Securely from the Land, opened at the Prince of Wales Northern Heritage Centre in 2006, with pieces selected from the exhibition touring schools in the Tlicho region.

The exhibition was also displayed at the Carleton art gallery in Ottawa for several months before being returned to Scotland, where it was revised. On May 15, 2008, it reopened at the National Museum of Scotland in Edinburgh under the title Extremes: Life in Subarctic Canada. This project and the partnerships developed are an example of how organizations can work together to preserve and share important pieces of our heritage not only with Northerners but with a wider global audience.

Building on the success of this partnership, the Prince of Wales Northern Heritage Centre is seeking opportunities to work with museums in other parts of the world to bring artifacts back to the Northwest Territories so that we can exhibit them in our museums. Projects of this nature enable us to showcase and honour the rich heritage of the North.

Mashi cho, Mr. Speaker.

Mr. Speaker: Thank you, Mr. Lafferty. Ministers' statements. The honourable Minister Responsible for the Workers' Safety and Compensation Commission, Mr. Miltenberger.

MINISTER'S STATEMENT 61-16(2)
WSCC MINE RESCUE COMPETITION

Hon. Michael Miltenberger: Thank you, Mr. Speaker. Every June the Workers' Safety and Compensation Commission proudly sponsors the annual Mine Rescue Competition in celebration of Mining Week, June 9 to 14. This week celebrates the rich culture of the North's leading industry. The commission will host the 42nd Mine Rescue Competition on Friday, June 13, and Saturday, June 14, in Yellowknife.

The Mine Rescue Competition evaluates and compares the quality and effectiveness of mine rescue training programs across the North. All NWT and Nunavut mines are invited to compete for the surface and underground commissioner's trophies. The winners from each category then compete in the Western Regional Mine Rescue Competition, which challenges teams from all western provinces, the three territories and the northwestern United States.

Friday's closed competition events will be held at the Giant mine site, and Saturday's competition and the Miner's Picnic, a community barbecue hosted by the NWT & Nunavut Chamber of Mines, will be at the Yellowknife Community Arena.

The Workers' Safety and Compensation Commission will also host a continuing medical education session on Friday, June 13. All northern physicians and allied health care professionals are invited to participate in the Focus on Psychiatric and Psychological Disability course. Accredited by the College of Family Physicians of Canada, the course explores the unique opportunity presented to physicians and front-line health care workers to identify and intervene in psychiatric and psychological disabilities as it impacts a patient's employment and employability.

In closing, I encourage everyone to attend Saturday, June 14 at the Mine Rescue Competition and the Miner's Picnic. Your attendance encourages the development of a positive safety culture in the Northwest Territories. The Workers' Safety and Compensation Commission remains committed to working with northern workers, employers and health care workers to return Northerners home safe every day.

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mr. Miltenberger. Item 3, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

Members' Statements

MEMBER'S STATEMENT ON NORTHERN EXPLORATION EXPERTISE DEVELOPMENT IN THE BEAUFORT SEA

Mr. Krutko: Thank you, Mr. Speaker. The people of Beaufort-Delta have been waiting a long time to hear news of land sales in the Beaufort Sea. As we all heard, the record sale of \$1.2 billion to British Petroleum is good news — opportunities for employment, business for the people of Beaufort-Delta. This has been a long time coming.

I had an opportunity to work in the Beaufort Sea during the '70s and '80s, when I worked on a drill ship, a manmade island. I had an opportunity to see the expertise that we had in the Beaufort Sea, by way of icebreaker technology, manmade islands, caissons, drill ship technology. All this expertise was developed in Canada, yet we lost that opportunity because of the downturn in the oil and gas industry in the Beaufort in the mid-'80s.

Mr. Speaker, through these opportunities came vast expertise by way of ice conditions, to environmental reviews, to wildlife monitoring — to a lot of initiatives that we have in place today by way of environmental regulations and also by how we monitor our environment, monitor the wildlife to ensure compliance with the regulatory systems we have in place. Canada was a world leader in Arctic exploration and development by way of drilling in the Arctic Ocean back in the '70s and '80s.

Mr. Speaker, this land sale will give Canada a footing to bring back that expertise and be able to expand that expertise not only for Canadians but for the rest of the world. In light of global warming, in light of what's happened by way of exploration and development, we have to take hold of something that has already happened. This is nothing new to people of the Beaufort Sea. We had the opportunity of seeing it firsthand back in the '70s and '80s. People were able to take advantage of those developments back in the '70s and '80s. We are asking for nothing less than the rest of Canadians who would like to have that opportunity again.

Mr. Speaker, the final saying that I would like to leave with the rest of the Members here is that people of Beaufort-Delta have been true to the land for thousands of years. We will not jeopardize our environment for the sake of a development, but we realize that development is just as important as our environment. They do have to work hand in hand.

Mr. Speaker, I will be asking questions to the Minister of ITI on this matter later. Thank you.

Mr. Speaker: Thank you, Mr. Krutko. Members' statements. The honourable Member for Weledeh, Mr. Bromley.

MEMBER'S STATEMENT ON ENVIRONMENTALLY SOUND MODES OF TRANSPORTATION

Mr. Bromley: Thank you, Mr. Speaker. I want to just mention that I enjoyed the presentation on the energy programs and initiatives. Thanks for that.

Mr. Speaker, about two-thirds of our greenhouse gas emissions are derived from transportation. I want to acknowledge the singular efforts of City of Yellowknife councillor Kevin Kennedy for his recent bus trip, for example, to Quebec. He is certainly walking the talk, or should we say riding the talk? Here's an individual who for his holidays took three weeks hiking in Wood Buffalo Park and the next year took the same amount of time and rode by bicycle from Yellowknife to Vancouver with his 15-year-old daughter.

Instead of being congratulated for actually taking a stand on climate-related issues and doing something about it, he's more often ridiculed in the media and blamed for wasting time — implying that reading during his travels or learning about Canada while travelling is a waste of time. Last year when he took the bus south, the newspaper article focused on the fact that he didn't actually save money, as the other councillors managed to get seat sales.

Mr. Speaker, it seems to me that people are missing the point here — perhaps deliberately, not many people want to take the bus for 80 hours — and maybe it needs to be made explicitly. You could say that we all make choices and that this is Mr. Kennedy's way to reduce his own environmental footprint and to demonstrate possibilities. There are many other ways. This government should at least follow his example of doing something about it in a significant way.

On behalf of my constituents, Yellowknifers and tourists visiting our capital city, I would like to suggest that this government demonstrate its commitment by constructing a bicycle/walking path along the Ingraham Trail to Prelude Lake and to Dettah. Such a path would increase the quality of life of residents by encouraging healthy, active living while increasing the safety of our people. With the creation of a bicycle path and with people making healthy choices, we could expect to see traffic and road maintenance on these highways reduced with a lowering of greenhouse gas emissions. All of these benefits have been highlighted in the visions, goals and priorities of this Assembly. Mr. Speaker, let's get a bicycle and walking path built along the Ingraham Trail and enjoy the benefits.

Finally, I note that in the Northern Connections Transportation Strategy, just co-published by our Department of Transportation, I saw the mention of

ALCAN RaiLink Inc. and mention of the role of railroads as a cheaper and more environmentally sound mode of transportation.

Mr. Speaker: Mr. Bromley, your time for the Member's statement has expired.

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

Unanimous consent granted.

Mr. Bromley: Thank you, Mr. Speaker. On the issue of rail, here lies some real potential for connecting communities in ways that present wins for all our concerns: economic, social and environmental sustainability. Let's not ignore this opportunity to think progressively. Let's show our ability to adapt and react with intelligence and foresight. Rail on! Mahsi.

Mr. Speaker: Thank you, Mr. Bromley. Members' statements. The honourable Member for Great Slave, Mr. Abernethy.

MEMBER'S STATEMENT ON RETURN OF SERVICE BURSARY PROGRAM RECIPIENTS

Mr. Abernethy: Thank you, Mr. Speaker. As part of our Strategic Plan we talk a lot about maximizing northern employment, encouraging northern youth to go out, get educated and come back to the Northwest Territories.

I'd like to applaud both the Department of Human Resources and the Department of Health and Social Services, who have combined to create a bursary program for nurses, doctors and allied health professionals — a Return of Service bursary program which provides students in these studies with money with the expectation that upon successful graduation and their completion, they'll return to the North and work in their field of study.

A lot of students from the Northwest Territories have received these dollars, and it has helped them complete their studies successfully. All good. All great. The problem is not all of the students return to the Northwest Territories. Many students, once they've completed their studies, especially students in medicine and some of the more advanced health and allied professions, choose to remain in the south. This is after the government has given them up to \$70,000 during the duration of their studies.

Unfortunately, the government hasn't been that active in collecting those dollars back, and as a result, we have students out there who have received large sums of money who have no intention of returning to the Northwest Territories who also are keeping the money that they are provided. Now, I understand that some have

volunteered to pay it back, but others have remained silent and have left the Territories and have not been charged back.

I would like to see this government, the Department of Health and Social Services and the Department of Human Resources, track down these individuals who have taken this money in good faith and have not returned their service. I would like to see the government track these individuals down and encourage them to return to the North to meet the Return of Service obligation and/or collect the dollars from these individuals. We gave the money to them in good faith; I think it's time that we turned around and collected those dollars from those individuals who have not met their obligation and have no intention of returning to the Northwest Territories. We're talking possibly hundreds of thousands of dollars, and in time of fiscal restraint every penny counts. I think it's time to go get those monies.

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mr. Abernethy. Members' statements. The honourable Member for Nahendeh, Mr. Menicoche.

MEMBER'S STATEMENT ON MAINTENANCE AND CONTINUATION OF THE GNWT BUSINESS INCENTIVE POLICY

Mr. Menicoche: Thank you very much, Mr. Speaker. I would like to add my voice to the maintenance and continuation of our Business Incentive Program. I know that the contracts that have very high costs, such buildings and big projects — there is a premium cost to those. In the communities in my riding these projects are few and far between, and when we do get them, like a new ECE building, we want the opportunity to be competitive. The Business Incentive Program allows this: the people and businesses with home bases to be able to compete with southern and/or outside contractors.

There are many success stories when we apply the rules, guidelines and procedures of our BIP to our contracts. The biggest success is the small contracts that allow the small businesses to compete for contracts and opportunities. The way that this happens is that local contractors can buy local. Sure, we will pay a premium, but we share what we have in our communities. That, right there, Mr. Speaker, is something that a southern or outside company cannot do.

Once again, I am in support of keeping our Business Incentive Program. I know that the premium cost is an issue, but not for me. If we have local jobs and local investments, then it's a cost that I am willing to support. Mahsi cho.

Mr. Speaker: Thank you, Mr. Menicoche. The honourable Member for Kam Lake, Mr. Ramsay.

MEMBER'S STATEMENT ON
EQUAL SHARED PARENTING RIGHTS

Mr. Ramsay: Thank you, Mr. Speaker. Today I want to speak about equal shared parenting.

Statistics show that nearly 50 per cent of all marriages are ending in divorce. In some cases the consequences can be financial and emotional. However, the majority of marriage breakups involve children and the custody of those children, for which the consequences of parental alienation and the justice system can impact on the lives of those children for their entire lives.

When a marriage or relationship breaks down, the issues that led to the breakup far too often supersede what should be the primary focus of any proceeding: the welfare and the well-being of the children of the relationship. The needs of the child often get overlooked by the need to punish former partners. All too often their punishment takes the form of trying to restrict access to children. The children don't understand this. They want and need both parents in their lives.

The adversarial approach that exists under current divorce legislation can, through the awarding of sole custody to the mother, deny fathers any meaningful role in the upbringing of the child and lead to these children being brought up in what is essentially a single-parent household. Statistics show that children brought up in single-parent homes are more likely to come into contact with the law, abuse drugs and alcohol, and do poorly in school. Statistics also prove that conflicts between joint custody parents diminish over time, whereas in the case of sole custody, court battles can and do rage on for years.

This adversarial approach serves no one, except maybe the lawyers. The best interests of the children take a back seat, and this is just not fair. The only role the courts should have in determining custody should be in those cases where violence or abuse has been proven against one of the parental parties and it would be in the best interests of the child to restrict access to that parent. This would reduce the number of false accusations of abuse that are often made in the heat of battle in our current adversarial process.

Our children deserve to have both parents in their lives. Currently the Member of Parliament for Saskatoon-Wanuskewin, Mr. Maurice Vellacott, has prepared an equal shared parenting motion, M-483. Many Members of Parliament have signed on to second Mr. Vellacott's motion, and I hope that our MP, Mr. Dennis Bevington, will do the right thing

and, for the sake of our children and their future, support that motion.

Mahsi.

Mr. Speaker: Thank you, Mr. Ramsay. The honourable Member for Hay River South, Mrs. Groenewegen.

MEMBER'S STATEMENT ON
HOMELESS SUPPORT SERVICES
IN NORTHERN COMMUNITIES

Mrs. Groenewegen: Thank you, Mr. Speaker. It was good to hear Minister Lafferty's recent statement in this House on homelessness initiatives in small communities. Homelessness can affect those who are hard to house for various reasons, those who require emergency shelter, and we do seem to be making some progress on that front.

But today I want to talk about what is available for those without accommodations that show up on a transient basis. It is a fact — and will probably continue to be — that some people unknown to the community will show up unannounced and expect that some sort of social net will accommodate them. These people can appear as they just wander about the country. Some may choose the North under the impression that the northern frontier may offer employment opportunities. Some may have problems with mental illness or addiction, or some may have just worn out their welcome in other jurisdictions and be looking for a fresh start.

For whatever reason, people not known to our residents or our community show up with the expectation that they won't be left on the street. The people are often referred to our local churches. This poses problems in that many churches have their own financial challenges, not to mention being ill equipped to deal with these strangers who show up at their church or even at their homes.

The transient person may have behavioural issues that could affect the safety of our clergy. So although it is a well-known Christian principle to extend a hand of hospitality to strangers, in fact this can sometimes be a real problem.

We need a well-prepared plan of response when these people arrive in our town. We need financial and logistical resources to deal with them. We can't just react on an ad hoc basis or wish them away or have them wandering around our community.

Later today I will have questions for Minister Lafferty on how the issue of transients can be dealt with, and perhaps he can help us with who we are going to call. Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mrs. Groenewegen. The honourable Member for Inuvik Twin Lakes, Mr. Robert McLeod.

MEMBER'S STATEMENT ON
CONDITION OF THE
MACKENZIE VALLEY HIGHWAY

Mr. McLeod: Thank you, Mr. Speaker. I'd like to use my Member's statement today to speak of the highway infrastructure across the Northwest Territories, especially the lack of highway infrastructure in the northern part of the Northwest Territories.

I'll go back to the condition of Highway No. 8. I've spoken to it a few times. My colleague Mr. Krutko has spoken to it a few times. We continue to say the highway is dusty. It just kind of boggles us sometimes when we hear people down here complaining about their paved, chipsealed roads, and we have to drive the Dempster. Go for a ride on the Dempster and you'll appreciate whatever we have down here.

I'm glad to see that the department is budgeting for opening the icebridges a little quicker. That's going to help with the cost of food. One of the concerns we have from constituents back home is that during breakup and freeze-up, the price of food automatically goes up, and they feel like they're being gouged. So hopefully this will help alleviate some of that concern.

I was asked a question yesterday outside. Somebody asked me who I thought was the most influential Canadian politician. It took me a few minutes, but the man that I thought of was John Diefenbaker, because he had the vision to build a highway to the Arctic. It took a good 50 years for that vision to come true, but the highway is there.

We need to take that a little bit further and have a highway go from Wrigley to Tuktoyaktuk. It's been spoken to a few times in this House, and there's no need to always state the obvious about the price of food going down and opening up the communities along the way and the economic benefits that it will bring. And for Mr. Bromley's sake, we'll build a highway. We'll put a train rail on one side and a bike path on the other, and we'll all be happy.

But this is something that's quite visionary, and it's something that we have to quit talking about. People across the Northwest Territories are tired of talk of a highway. If we ever happen to get this highway through, I hope it's not after I'm gone and not able to drive it. If we ever get that highway through, then I may change my opinion on who's the most influential Canadian politician — from John Diefenbaker to Stephen Harper.

Thank you.

Mr. Speaker: Thank you, Mr. McLeod. The honourable Member for Yellowknife Centre, Mr. Hawkins.

MEMBER'S STATEMENT ON
REDUCING THE COST OF
ELECTRICITY IN THE NORTH

Mr. Hawkins: Thank you, Mr. Speaker. It is not news to anyone that the NWT residents pay very high costs for electricity compared to southern Canada. Some of the extra costs can be explained by economies of scale. However, I believe that more could be done to reduce the NWT Power Corporation's expenses and the burden they put on our ratepayers.

The NWT Power Corporation's electricity rates are approved by the Public Utilities Board and are based on the case the corporation makes to the PUB for its revenue needs based on expenses.

I believe this approach is backwards and needs to be revisited. It does not provide enough accountability for its spending. The NWT Power Corporation should be adjusting its expenses based on revenues, not the other way around. In other words, it should have a budget set for it by this Assembly. It should have to work within that budget instead of going back to the power customers — people like you and me — for more and more money. Where is the incentive for the NWT Power Corporation to look for savings and efficiencies to keep their costs down? There are none.

For example, I've heard people question the shiny new trucks and the performance bonuses at a time when the cost of living keeps increasing. Our power bills are already too high, and the government is cutting back. So where is the Power Corporation's incentive to hustle for that buck? There isn't one.

When the customers are held hostage, there is little incentive for them to ever worry about the customers leaving, because there are no other utilities for them to go to. Where is that accountability to this Legislature? It's one customer, Mr. Speaker. So I will be interested in hearing what the Minister has to say is his approach for alternative ways to ensure that the NWT Power Corporation works as thriftily as possible so they do not pass unnecessary expenses on to their customers.

Mr. Speaker: Thank you, Mr. Hawkins. The honourable Member for Tu Nedhe, Mr. Beaulieu.

MEMBER'S STATEMENT ON
INFRASTRUCTURE AND
SERVICES IN TU NEDHE

Mr. Beaulieu: [Translation.] Today what I'd like to talk about is the transportation from Pine Point to

Hay River. There is some money put aside for that project. We're still short of some funding, but I'm sure we could come up with something. Also, I'd like to mention the dust in Lutselk'e and Fort Resolution. There's so much dust in that area. I'd like to mention that too. There's a lot of work that's going to have to be done there. But with Lutselk'e and Deninu Ku'e, I like that the leaders are there. The government had transitioned from Fort Smith to Yellowknife, so when I go to Fort Resolution and Yellowknife or to Lutselk'e and Fort Resolution, I like to talk about the housing issue.

The things that are going with the housing issue.... But now we have someone in the region, in Lutselk'e right now, from Housing. I was wondering if you could have someone from your government department seconded to come to Lutselk'e to work with them for at least five months so that they could go back to when the government first started the program here, so that they could be assisted with working with the management. Also, we have social services programs, people in the legal department, and people at social services are working with the youth. They are overwhelmed with work. It is very hard to work with the people. Also, the high cost of living in the communities.... When I have questioned the government, they are also making an effort to look into it, but when it comes to the teachers in the education department....

Another thing: the elders' facility that was supposed to be repaired. The money that was taken back.... Even though money was put aside, it does not suffice. So we're asking the government if we're going to have any funding to repair the facility. Thank you very much, Mr. Speaker. [Translation ends.]

Mr. Speaker: Thank you, Mr. Beaulieu. Members' statements. The honourable Member for Yellowknife South, Mr. Bob McLeod.

MEMBER'S STATEMENT ON CONDOLENCES TO THE PAGOTTO AND JODRELL FAMILIES

Hon. Bob McLeod: Mr. Speaker, today I recognize the passing of two long-time Yellowknifers and Northerners.

I wish to pass on my sincere condolences to the family of the late Danny Pagotto, son of long-time Yellowknife residents Camillo and Carla Pagotto. Danny is survived by his parents, his wife, Kim, daughter, Marika, sons, Sam and Taylor, and also his brother, Steve, and his wife, Shannon, and family.

Danny grew up in Yellowknife, worked as a real estate appraiser and became a pilot with Air Tindi. Danny loved to fly and worked his way quickly up to captain and flying Twin Otters. In recognition of

Danny, Air Tindi has dedicated a plane in his name and in his honour. Danny was a big and tough defenceman who played junior hockey in Alberta before returning and playing in the local recreational hockey league. Danny was 44 years old and put up a very courageous battle. Our thoughts and prayers are with the Pagotto family today.

Condolences also go out to the family of the late Gary "Juggy" Jodrell. Juggy was a member of the world fastball champions, the Richmond Hill Dynes, in the early 1970s before he was recruited to come and play fastball here in Yellowknife. Juggy worked for the city and left for a few years before returning to Yellowknife for good. Juggy was a slick second-baseman who could hit and field anything. He was also a fine hockey player who played in the Yellowknife commercial, recreational and old-timer leagues. A memorial service to celebrate his life will be held on June 21 in the Shorty Brown arena.

Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mr. McLeod. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Item 6, acknowledgements. Item 7, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

Oral Questions

QUESTION 299-16(2) OIL AND GAS DEVELOPMENT IN THE BEAUFORT-DELTA

Mr. Krutko: Mr. Speaker, as I stated in my statement, the Beaufort at one time played a very important role in a lot of the technology and expertise and Arctic research and development. I'd like to ask the Minister of ITI, knowing that we have another opportunity at our doorstep — which, basically, we lost a number of years ago.... It's back, and I think the North should take advantage. We have to do whatever we can to promote that industry. I'd just like to ask the Minister of ITI: is this government involved in any way with the federal government in dealing with Arctic research and trying to promote this development on the positive side — not simply as an oil and gas opportunity but as an opportunity to take advantage of Arctic exploration, development and research?

Mr. Speaker: Thank you, Mr. Krutko. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Speaker. Our government has promoted investment in geoscience over the years and has been fairly successful in getting the federal government to invest in geoscience. As well, we have put together proposals to Industry Canada over the years, and

we have developed expertise so that the Government of the Northwest Territories can play an important role in oil and gas development.

Mr. Krutko: Mr. Speaker, I think it's critically important that this government does everything it can, like it has with the diamond industry, to promote and enhance that industry to make everyone aware that we have an opportunity here to really do some good work and work with industry along with government and the residents of the Northwest Territories.

I'd like to ask the Minister: exactly what is this government doing to promote the oil and gas development in the Beaufort Sea, similar to what we did with the diamond industry?

Hon. Bob McLeod: Mr. Speaker, I think the most important thing to promote the development of oil and gas would be for our government to quickly negotiate resource revenue-sharing and devolution agreements so that we can control the pace of development here in the Northwest Territories. Certainly as a government we spend time and effort to make sure that Canadians and others are aware of the importance of natural gas in dealing with reducing greenhouse gas emissions. Also, without the discovery of these additional resources, we won't be able to find ways to reduce the cost of living.

It's important to recognize that we need resources and expertise to do so, and in order to get additional investment and to promote devolution, we need to get the support of people in southern Canada. Our government has been a leader in promoting the Beaufort Sea and oil and gas in the Northwest Territories.

Mr. Krutko: Mr. Speaker, as we know, there have been several research activities taking place in regard to Japex with regard to gas hydrates in the Beaufort Sea. I know they work with the Arctic institute out of Inuvik. I'd like to ask the Minister: what are we doing to expand our technical advantage by using the Arctic institute in Inuvik and expanding that institution to take on more of this work?

Hon. Bob McLeod: The Arctic institute, or the Aurora Resource Institute, was a project leader with the Mallik Gas Hydrate Project, which involved several federal departments and also the Japanese national oil and gas company. Through the efforts of Aurora Research Institute and a significant investment by the Japanese oil and gas company, we were very successful in being able to prove to the world that, utilizing conventional oil and gas techniques and practices, we were able to flow oil from gas hydrates using a combination of heat and pressure. So the Japanese have gone back very quickly to take advantage of that technology.

Here in Canada we need more partnerships developed. We have to work much more closely with the federal government to develop a truly national program, something akin to what was used to develop the oil sands in Fort McMurray.

Mr. Krutko: I believe it's gravely important for this government to not only take part in these research activities but that we take ownership of the materials, the research itself, and also the findings of that research that's going on. That has value, and it also gives an ability as government to be a real player in the oil and gas industry by being able to do this research, taking advantage of a lot of this research material and taking ownership of it. I'd like to ask the Minister what exactly we're doing as a government to not only take part in this research but to take ownership of that research.

Hon. Bob McLeod: Part of the reason — and I'll defer to my colleague from Education, Culture and Employment — for taking the leadership role with this project was for research purposes and to have access to the research results. Now, the next step is to work with the federal government so that we can interest commercial companies to develop the gas hydrates that are in the Beaufort Sea. The reserves are very significant. The estimates range from 9 trillion cubic feet to 3,500 trillion cubic feet. So it's very significant.

Mr. Speaker: Thank you, Mr. McLeod. The honourable Member for Great Slave, Mr. Abernethy.

QUESTION 300-16(2) REPAYMENT OF OUTSTANDING RETURN OF SERVICE BURSARIES

Mr. Abernethy: Mr. Speaker, given that the Health and Social Services Return of Service bursaries are funded out of the Department of Health and Social Services and the policies are written by Health and Social Services and it's administered by Human Resources, I'm choosing to ask my questions to the Minister responsible for Health and Social Services.

In my Member's statement I talked about the Return of Service bursaries that the department provides. To be clear, I think the bursaries are a fantastic idea, and I think they have a lot of value. My concern is mostly around the fact that there are a large number of bursaries out there for individuals who have not returned to the Northwest Territories or did not complete their studies. As such, they should be returning their money. I believe that not much, or nothing, has been done to collect these dollars back. I was wondering if the Minister could tell me what process they're using to collect these dollars and whether or not they've begun to collect the majority of the dollars that are owed.

Mr. Speaker: Thank you, Mr. Abernethy. The honourable Minister of Health and Social Services, Ms. Lee.

Hon. Sandy Lee: Thank you, Mr. Speaker. I appreciate the Member raising this question. I am not aware of any specific situations where the beneficiaries of those bursary programs are.... I don't have the numbers handy, and I will inquire into that. I am aware, though, that in certain circumstances, especially for physicians who take advantage of our programs, they get hired by other provinces that offer to pay the Return of Service Agreement money outright. So I'd be happy to look into how many individuals have benefited under these programs, how many have returned, what is outstanding and what steps we take to collect any outstanding receivables.

Mr. Abernethy: Physicians are certainly one side of it. I believe that in the last couple of years 13 or 14 bursaries have been awarded to medical students. I think two or three of those individuals have successfully completed their studies. I also believe none of them have returned; I'm not sure whether or not the dollars have been collected. I'd be curious to know whether or not the department is actually trying to track down those dollars.

More specifically, we have a large number of nursing students. To the credit of northern students, the vast majority of the northern students have returned and have actually begun to return the service. But a large number still haven't returned, and in the last couple years we've had larger numbers of these northern students actually graduate from Aurora College and head south.

Specifically what is being done to track this, and what is the status of those individuals who have left the North without returning their service, either by time or money, and will the department be collecting these dollars from those individuals?

Hon. Sandy Lee: There's a lot of specific information being inquired about here that I'm not in possession of. I'd be happy to get that information for the Member.

The latest information I saw on the physicians.... The time of training that they require is long. We have not really gotten to the stage where we can have the benefit of the number of the med students we are paying for. I think the first crop of grads we can see is two or three years from now.

With the students who trained at Aurora College, once they are finished, if they took advantage of SFA or any other programs, they do have mobility rights and they do go all over the place. I am aware of that. But we do keep a number of them home. Every one of them is subject to an agreement. I'm sure we have measures to keep track of them and make sure that if they choose not to come back, we

will recover the costs. I'd be happy to get the details for the Member.

Mr. Abernethy: I will be asking a written question later for the details, which is what the Minister has already committed to.

A large number of individuals — the majority — clearly are returning their service and are working in the Territories. I'm concerned about those few nursing students who choose to immediately leave and go down south, and they haven't paid back their money.

I'm wondering what recourse the Department of Health and Social Services has in order to ensure that they collect these dollars. I don't believe it's appropriate to be giving these people free money without meeting their Return of Service obligations. It's also true for those individuals who either drop out or choose not to complete their studies. Their obligation is to return as the profession they're studying. So if they don't complete, technically they should be repaying those dollars.

Hon. Sandy Lee: Mr. Speaker, I'm aware that with the recent crop of nursing grads from Aurora College, out of 18 grads 13 have been placed. I understand a few of the five chose to move south for family reasons and other reasons. I'm sure they would have had some kind of placement in the North. Perhaps Mr. Abernethy has specific examples we could follow up on. I am aware that every one of them has to sign the Return of Service Agreement. Those are binding legal contracts that we need to enforce, and I'll just verify that with the department.

Mr. Speaker: Thank you, Ms. Lee. Final supplementary, Mr. Abernethy.

Mr. Abernethy: Mr. Speaker, that's good to hear; I'm glad to hear that. The last question, in conclusion, is: do you know if they've ever been enforced? If individuals have left the Territories, have the repayments ever been enforced?

Hon. Sandy Lee: Mr. Speaker, I will undertake to get that specific information. Anecdotally, I am aware of a number of situations where employees have agreed to stay, and they just stayed long enough to work through their legal requirements. So that tells me that there are some enforcement measures being followed up on.

Mr. Speaker: Thank you, Ms. Lee. The honourable Member for Yellowknife Centre, Mr. Hawkins.

QUESTION 301-16(2)
EFFICIENT OPERATION OF THE
NWT POWER CORPORATION

Mr. Hawkins: Mr. Speaker, in my Member's statement today I raised the issue of the NWT Power Corporation and my concern about their accountability — or one should also stress their

lack of accountability. The issue I really have is that there's nothing bearing down on them to run the organization as efficiently as possible to make sure that the customers are getting the best service at the most reasonable price. Right now the system is that no matter what they charge in expenses, they can go back and recuperate from the ratepayers. I'd like to hear from the Minister responsible for the NWT Power Corporation. First, what is he doing to lead this initiative to make sure that this operation is working as efficiently as possible so that they don't have to keep going back to the customers for increased rate hikes?

Mr. Speaker: Thank you, Mr. Hawkins. The honourable Minister responsible for the NWT Power Corporation, Mr. Yakeleya.

Hon. Norman Yakeleya: Mr. Speaker, this government definitely shares the concerns of the Member in terms of the cost of operating a reliable utility service, not just NTPC. We operate a very stringent operation such as the Public Utilities Board, which scrutinizes every penny the NTPC brings forward. Any type of change of the rate structure of the operation.... The public is protected through the Public Utilities Board. We usually file every three years in terms of our operation, so they do have an agency that does protect the consumers in our communities.

Mr. Hawkins: Mr. Speaker, in my opinion, as well as that of many others, I don't think they're running as efficiently as possible. I can definitely tell you that this organization runs with sensitivity like the CRA. The fact is that accountability is really the issue. As far as I'm concerned, we've got problems like the demand charge. We have demand charges on every bill, which costs this government hundreds of thousands of dollars every year, and it's all about building capacity for peak demand. Where is that investment going? I want to make sure we're getting the best bang for our buck. So is that money just a cash grab for the Power Corporation to pay for those bonuses and fancy trucks, or is it going into investment to build new capacity so customers get the best rate?

Hon. Norman Yakeleya: Mr. Speaker, I certainly share the Member's concerns. I've also heard that from the people in my community, so I want to assure the public and the Member here. In our operations we're always challenged by the increased costs of fuel, wages, materials, and the emphasis is on NTPC in terms of running efficient operations — reliable, making sure the power is on. I certainly appreciate the staff's hard work in keeping this operation as efficient as possible. Again, we do go through scrutiny by the Public Utilities Board in terms of every cent we spend or every cent that we request. We're held straight to the line of accountability, and we'll continue looking at ways that we can improve in our operations.

Mr. Hawkins: Mr. Speaker, I appreciate the answers from the Minister. I know he realizes what the problems are, and he's certainly well versed about having communities that have exorbitant power rates. But the fact is that they still exist, as I pointed out about the demand charge. I'm going to ask the Minister: will he be willing to provide this House all the information available as to where the demand charge goes? Is it just a cash grab for the Power Corporation, or where are they reinvesting it into the system to make sure that it is providing better rates for citizens across this North?

Hon. Norman Yakeleya: Mr. Speaker, I'd be very happy to oblige the Member's request. We have stacks and piles of our process of when we go through the Public Utilities Board. The issue of us providing information certainly...is now entertaining some very interesting discussions with the Minister of Energy and the coordinating committee in terms of the whole issue of power and the cost of living in our communities. I'm really looking forward to having this discussion with all Members and people in our communities. How do we deal with the cost of living? This government is willing and seriously looking at how we deal with the cost of living in our communities. I certainly look forward to that discussion with all the Members.

Mr. Speaker: Thank you, Mr. Yakeleya. Final supplementary, Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Speaker. I appreciate the brevity of that last answer from the Minister.

Mr. Speaker, the issue I have here as well is that it's all the same problem. The fact is that it's the expenses that drive the revenues. I think they've completely got it backwards. I think they should have laid out a process and said, "Look, this is the money you have to work for," because there's no demand or incentives to work harder for that buck, as I said, to hustle for that buck.

Mr. Speaker, would the Minister look into that process and commit to getting back to Members on maybe a new way of doing business? The best rates are all about getting the best power rates to customers, and I think we could do that. Would the Minister commit to looking into that process?

Hon. Norman Yakeleya: Mr. Speaker, yes.

Mr. Speaker: Thank you, Mr. Yakeleya. Oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

QUESTION 302-16(2)
SUPPORT FOR NON-RESIDENT TRANSIENTS

Mrs. Groenewegen: Thank you, Mr. Speaker. I want to ask my questions to Minister Yakeleya

now, because he says yes. Actually, as per my Member's statement my questions today are for Minister Jackson Lafferty, and they have to do with homelessness.

Mr. Speaker, when non-resident transients show up in our community with little or no financial resources, whose responsibility is it to respond to their basic needs for food and shelter?

Mr. Speaker: Thank you, Mrs. Groenewegen. The honourable Minister responsible for the homeless, Mr. Lafferty.

Hon. Jackson Lafferty: Mahsi, Mr. Speaker. Homelessness is a diverse and challenging issue in the communities. We have certain departments that are looking after that area. There is a coordinated approach by my department, the Department of Education, Culture and Employment, the department of the Housing Corporation and the Department of Health and Social Services.

We do provide the funding to certain of the communities on an application basis. There are shelters in the larger communities: Side Door and also the Salvation Army, the YWCA, the Centre for Northern Families. Also, we provide some funding to some First Nations that do apply.

So there are avenues, but most of the coordinated approach falls under Ms. Lee's department as a deputy is in charge of the program. That's where the access is.

Mrs. Groenewegen: With all due respect to the Minister, what he said is all true. However, we do not have a transient shelter in Hay River, so I need to know: who is the lead department? Who is the person? I am serious. Who do we call? All of those agencies that he just listed — Health and Social Services, Income Support, ECE — will send transient people who show up at their doorstep to our local churches. This is a problem. Somebody within the organization has to understand. Who is the point person for the transient who shows up with no food and no place to go?

Hon. Jackson Lafferty: Mr. Speaker, we do provide different programs, as I highlighted. Also, there are income support areas as well within my department, and we do have offices in most of the communities. So that's another avenue that transient people can certainly access.

But most of the time when people are in a transition area, are transient in the communities, there is funding available for them. If they need to go back home, there is funding in place to assist them to go back home, so we do provide that.

The point of contact is mostly through the Health and Social Services area and also in my department, the income support area, and also the shelters that we have in the communities.

In Mrs. Groenewegen's riding it would be Hay River emergency funding. We do provide funding in the community and in other communities as well.

Mrs. Groenewegen: Mr. Speaker, I'm not making up scenarios here. This happens in Hay River quite frequently. It's 6 o'clock. The government offices are closed. We do not have a transients' shelter. We have a women's home, a shelter for women who are in need but not for a transient person who shows up.

So like I said, it's 6 o'clock. The government offices are closed. Somebody shows up, and they say, "I have no place to go tonight. It's 30 below outside." Who do you call?

Hon. Jackson Lafferty: Mr. Speaker, our Department of Education, Culture and Employment and also Health and Social Services and also Housing all work closely together and find out who will be the main contacts in the community. There are people who are on call: income support, the social services in the community.

Certainly, I can provide that list of contacts for each community to the Member and also to the committee. If that's the wish of the committee, I can certainly provide that.

Mr. Speaker: Thank you, Mr. Lafferty. Final supplementary, Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Speaker. My final supplementary to the Minister is: are there any funds available for the development of a transients' shelter in Hay River as a permanent structure?

Hon. Jackson Lafferty: Mr. Speaker, I spoke about the Small Community Homelessness Fund, which we do have available to all communities based on their application.

There is up to \$40,000 for small projects to provide emergency shelters. So whether it be in Hay River, Inuvik or other small communities, they need to access this.

Also, there are homelessness support projects, up to \$10,000, to address community homelessness issues.

Those are the program avenues that each community can certainly apply to, especially those small communities. Mahsi.

Mr. Speaker: Thank you, Mr. Lafferty. Oral questions. The honourable Member for Tu Nedhe, Mr. Beaulieu.

QUESTION 303-16(2)
TRANSFER OF RESPONSIBILITY FROM
NORTH TO SOUTH SLAVE
REGIONAL OFFICE

Mr. Beaulieu: [Translation.] Thank you, Mr. Speaker. Today I have a question for the government leader. Last year in Lutselk'e we had people. We had a head office in Fort Smith, and then we had transition from Fort Smith to Yellowknife. The question is: I'd like to know the status of the transition of the government from Fort Smith to Yellowknife. [Translation ends.]

Mr. Speaker: Thank you, Mr. Beaulieu. The Hon. Premier, Mr. Roland.

Hon. Floyd Roland: Thank you, Mr. Speaker. The commitment that was made to transfer services from the South Slave to the North Slave region has been undertaken by a number of departments. As of April 1 this year we've had a number of the departments now servicing Lutselk'e through the North Slave region, and that would be Public Works and Services, the Department of Transportation, Municipal and Community Affairs. We're working with a number of other departments to fulfill that commitment of providing service through the North Slave region.

Mr. Beaulieu: [Translation.] I have a question again. When are we going to get the status of the transition? When are we going to get the reports? I'm talking about the reports from Lutselk'e. [Translation ends.]

Hon. Floyd Roland: Mr. Speaker, if I've got the question right, with the information we're working on, we'd gladly sit down with the Member and go through the information that we pulled together for departments on how the processes will be working and what areas we have some challenges in. We're prepared to pull that together and then sit down with the Member and go through that in detail.

Mr. Beaulieu: [Translation.] Mr. Speaker, this is the first time that we had transition from Fort Smith to Lutselk'e. They are there, but now it's very difficult for them to do any management or paperwork. So I am asking whether they could have a government employee from our department second someone to come to Yellowknife and then work with them for a certain length of time. So if we could second someone from our department to Lutselk'e to work with someone in Lutselk'e for a certain period of time. [Translation ends.]

Hon. Floyd Roland: Mr. Speaker, I'd be prepared to sit down with the Member, and if he's got some

representatives from the community as well, to see where we can work together. I'm not sure if we can come up with a secondment, but I know we're prepared to sit down and work through a number of initiatives and see where we go from that point as to further work in looking at the transition

Mr. Speaker: Thank you, Mr. Roland. Final supplementary, Mr. Beaulieu.

Mr. Beaulieu: [Translation.] Thank you, Mr. Speaker. We have a government now. They are a self-government now. They have their own policies and legislation. But I would like someone from a department to go to Lutselk'e and assist them in Lutselk'e. Maybe they could go to Behchoko and sit down with the Behchoko government, and the government could pay for the funding to have the people from Lutselk'e sit with the Behchoko government. Thank you. [Translation ends.]

Hon. Floyd Roland: Mr. Speaker, if the discussion is around, for example, the Akaitcho discussions and the transfer over at that level and how we deal with the boards and agencies or the Tlicho Community Services Agency, I believe, and that working arrangement and how it works, we'd be prepared to sit down with the Member and representatives to go through a process.

We know the overall discussions are still happening when it comes to self-government and a comprehensive claim process. But for the community, the transfer of services delivered in this day and age: I'm prepared to sit down about that and get some clarity as to what level we'd be prepared to go at and what is required at the community level. I'm prepared to sit down with the Member and put some support there to see what we can come up with. Thank you.

Mr. Speaker: Thank you, Mr. Roland. Oral questions. The honourable Member for Weledeh, Mr. Bromley.

QUESTION 304-16(2)
ENVIRONMENTALLY FRIENDLY MODES
OF TRANSPORTATION

Mr. Bromley: Thank you, Mr. Speaker. My questions are for the Minister of Transportation.

As I mentioned in my statement today, approximately two-thirds of the emissions of greenhouse gases in the Northwest Territories are derived from transportation. What is this department doing to ensure the adoption of modes of transportation that will reduce our greenhouse gas emissions?

Mr. Speaker: Thank you, Mr. Bromley. The honourable Minister responsible for Transportation, Mr. Yakeleya.

Hon. Norman Yakeleya: Thank you, Mr. Speaker. The Department of Transportation clearly hears what Mr. Bromley is speaking about today in terms of the issue of climate change.

We have done a number of studies with various departments: NRCan, Environment Canada and Transport Canada. As a matter of fact, we initiated a pilot project to demonstrate the fuel efficiency of our vehicles. We have adapted heaters in our larger vehicles. We have upgraded the ferry at Tsiigehtchic in terms of fuel consumption.

We've done a number of initiatives and will continue to work with the different departments and agencies to continue to adapt and mitigate against the serious issue of climate change in all our transportation modes in the Northwest Territories.

Mr. Bromley: Thank you to the Minister for that. I understand that this is a very thorny issue, a very difficult one to address. It's going to take a whole new approach, a whole new way of doing business. But a good starter is adopting, for example, the mileage rules in the state of California, which are being adopted by more and more states. It's fairly progressive. It's something we could easily do in the Northwest Territories. Will the Minister commit to considering adopting the California auto emission standards for the Northwest Territories?

Hon. Norman Yakeleya: Mr. Speaker, the Member raises a good point in terms of looking at other jurisdictions, other areas of the country where we could certainly see the transportation benefits on our roads.

I would commit to the Member that we will continue looking at the different models that are out there in terms of reducing our own consumption of fuel and looking at how we can better conserve our roads. I will commit to the Member that I will keep him informed in terms of raising this issue with the other Members of this House and in terms of how best to reduce the consumption of fuel and also to help us mitigate against climate change.

Mr. Bromley: Thanks to the Minister for that commitment. I'll take that as a yes.

Is the Minister considering other major ways of transportation in the Northwest Territories other than the conventional truck and aircraft transportation, such as rail, that will bring us real reductions in greenhouse gas emissions?

Hon. Norman Yakeleya: Mr. Speaker, I welcome the suggestions from the House in terms of how

best to have efficient modes of transportation in the North.

Since the issue being discussed is on the rail link, I'd like to say to the Member that I will be contacting CN, looking at the rail link. This discussion did come up in the past, and I'll certainly bring it forward again as it's been an interest of this House to look at the issue of a rail link into our communities.

Mr. Speaker: Thank you, Mr. Yakeleya. Final supplementary, Mr. Bromley.

Mr. Bromley: Thank you, Mr. Speaker, and mahsi to the Minister. Will the Minister commit to a couple of specifics; for example, considering the establishment of a bicycle and walking path on the Ingraham Trail to reduce our greenhouse gas emissions in this area and to examining the Deh Cho Bridge and the potential for bringing a railroad across the bridge?

Hon. Norman Yakeleya: Lots of good ideas, Mr. Speaker. We certainly looked at the different areas that the Member has raised. We are looking at the initiatives on which we can work with my colleague the Minister of MACA in terms of the bicycle trails. We have scoped out that concept, actually, with the realignment of the Ingraham Trail. We have to certainly put some numbers down in terms of that project.

We have looked, again, as I've mentioned, into the rail link. We certainly need to have some further discussions with the House.

We are looking at all ways of balancing resource development with the sensitive environment that we have in the North, especially our transportation system in the Northwest Territories.

Mr. Speaker: Thank you, Mr. Yakeleya. Oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

QUESTION 305-16(2) EQUAL SHARED PARENTING

Mr. Ramsay: Thank you, Mr. Speaker. My questions today are for the Minister of Justice.

Getting back to my Member's statement, I talked of equal shared parenting and the need for children involved in custody disputes and family breakup to have access to both parents. In our current scenario with our court system set up the way it is, it's an adversarial approach to child custody. Obviously, this government spends millions of dollars in the area of legal aid, family law and areas like that.

I'd like to begin by asking the Minister: does the Government of the Northwest Territories have a position on equal shared parenting, and if so, what is it?

Mr. Speaker: Thank you, Mr. Ramsay. The honourable Minister responsible for Justice, Mr. Lafferty.

Hon. Jackson Lafferty: Mahsi, Mr. Speaker. The Member indicated the equal shared.... We do have, also, the legislation that's before us. The protection already exists, where family law statutes are gender neutral. The federal Divorce Act and also the territorial Children's Law Act presume that children benefit from maximum contact with both parents unless it is not in the best interests of the children who are before us. We do, as a department and working with the various parties — Health and Social Services will be a partner — deliver programs to these individuals.

Mr. Ramsay: Mr. Speaker, I'm glad to hear that. Sometime next week I hope to bring forward a motion in this House calling on Members of this Legislative Assembly to support the initiative that's underway in Ottawa to support equal shared parenting. By the sounds of it, the government is onside with that, so please do look forward to that.

I'd like to ask the Minister: what mediation services are currently available to individuals going through divorce?

Hon. Jackson Lafferty: Mr. Speaker, I think that we as a department within the Government of the Northwest Territories need to do what's best for the children. The children would be the priority. They would come first.

The department funds family mediation through legal aid and through a pilot project. The mediation is a cooperative approach through separation and divorce. So it can help parents who are separated or divorced talk about the best interests of their children — where their children should be living or visitation and how they can continue to be good parents. Counselling is available to the parents as well.

Mr. Ramsay: Mr. Speaker, I'm aware of instances where through legal aid it takes upwards of five years to get a settlement on a divorce case, and there are children involved. I'm wondering if the Minister can comment on whether or not that mediation service is available to everybody. If so, how is that made available to everybody?

Hon. Jackson Lafferty: Mr. Speaker, legal aid is a division, and also there are board directors who decide on these applications from individuals who are going through these stages.

Certainly it is open to the public as to who should be applying. So the program is available to them. It's just a matter of them contacting our department — the legal aid division — and applying for the funding, the counselling and the services they need to go through this process.

Mr. Speaker: Thank you, Mr. Lafferty. Final supplementary, Mr. Ramsay.

Mr. Ramsay: Mr. Speaker, I'm wondering if the Minister is aware of Motion M-483 that has been brought forward by Maurice Vellacott, a Member of Parliament from Saskatoon, in regard to equal shared parenting, and whether or not he's supportive of that motion.

Hon. Jackson Lafferty: Mr. Speaker, I haven't met with my department on this specific motion that's been presented in Ottawa, so I certainly need to get briefed on that as well. From there, I'd like to meet with my department and go further on that. Mahsi.

Mr. Speaker: Thank you, Mr. Lafferty. Oral questions. The honourable Member for Inuvik Twin Lakes, Mr. Robert McLeod.

QUESTION 306-16(2)
LOCATION OF
THE ARCTIC RESEARCH INSTITUTE

Mr. McLeod: Thank you, Mr. Speaker. A couple of years ago I was part of International Polar Year. There was some discussion of the federal government establishing an Arctic institute in Arctic Canada somewhere. I'd like to direct my line of questions today to the Premier. I'd like to ask him if he's aware of any decision that's been made yet as to the location of the Arctic institute.

Mr. Speaker: Thank you, Mr. McLeod. The Hon. Premier, Mr. Roland.

Hon. Floyd Roland: Thank you, Mr. Speaker. As far as I'm aware, there's been no decision by the federal government. There has been no decision by our government as to location.

We know, for example, that there's interest from all territories — Nunavut, ourselves and the Yukon — in trying to secure some form of what was committed through the IPY year and the federal government in the area of Arctic research.

So we're working on a number of fronts with departments to try to get more information and see what we can bring forward. We're aware there are some initiatives out there. One is by the Inuvialuit and the Gwich'in together in the North, looking at trying to enhance their existing facilities there through the Arctic Research Institute, I believe.

Mr. McLeod: I thank the Premier for that. Just a note that 80 per cent of the licences issued for Arctic research are issued out of Inuvik. I know it's a concern with the town and the Inuvialuit and Gwich'in both hoping to have this institute up there.

I'd like to ask the Premier — and I think he briefly touched on it: how much input have we had into the location of this institute, and who do we relay those concerns on to?

Hon. Floyd Roland: We're aware of the different initiatives out there, as well as the licensing, and look at the tracking of that. Through our existing infrastructure we have a number of opportunities here. We've got, as the Member has pointed out, a lot of licence to go through the Arctic Research Institute and the Beaufort-Delta. We have satellite offices as well as the campus in Smith. There are a number of avenues that can be looked at. We're working as a department trying to get further information as to where things are going. I'll have to sit down with the Ministers here to get the latest on where things have been moving. We're going to have to get up to speed on that.

Mr. McLeod: I'd like to ask the Premier if he's aware of any timeline on the need to make a decision into putting up an Arctic institute.

Hon. Floyd Roland: I'll have to ask the Member to repeat his question. I missed his last portion.

Mr. Speaker: Thank you, Mr. Roland. Mr. McLeod, would you repeat your question, please.

Mr. McLeod: Thank you, Mr. Speaker. I'd like to ask the Minister if he's aware of any timeline as to when the need is to have this institute built.

Hon. Floyd Roland: I'm not aware of a timeline. There is, of course, interest. There has been, for example, the City of Yellowknife, the mayor and some officials with DIAND who have done some work. As well, as I said, there's interest in the Beaufort-Delta. We know the Yukon and Nunavut are interested in trying to come up with their solutions. There's initial talk of one large research facility. Then there's been talk about one area and then nodes or modules out in different areas as satellites of a research institute. We're trying to get more information on that as we proceed. I'm not aware of a timeline. I know there's ongoing work, and we're trying to stay plugged in and continue to work with what may be out there and available to us.

Mr. McLeod: As we all know, in the Beaufort-Delta we've got the ocean, mountains, the delta. We have everything that I think you need up there.

Mrs. Groenewegen: You have it all.

Mr. McLeod: We do have it all, and we're quite proud of the fact that we have it all, and we want to keep it all.

Mrs. Groenewegen: And you want more.

Mr. McLeod: No, we don't want more. We don't want more. But we want something that just makes good business sense. It makes good political sense and it just makes good common sense to put a facility where there's going to be the most use for it. I think something we have to work towards is making good decisions like that. I think this is an opportunity for this government to endorse a location that makes really good sense.

I'd like to ask the Premier — and maybe it's an unfair question to ask because he's also the Member for Inuvik Boot Lake. So we can put this facility in Inuvik Twin Lakes because we never get anything. Well, that's an unfair question to ask the Premier, but I'd like to ask the Premier if he would be willing to put forward this government's position and desire to have the Arctic Research Institute facility, the large one — we'll take the large one — built in the Beaufort-Delta and preferably Inuvik.

Hon. Floyd Roland: The fact is that we are plugged in through, for example, Education, Culture and Employment and Environment and Natural Resources looking at where these licences will occur, the work that's occurring, looking at our existing facilities and structures that we have in place across the territory. So we're coming together with positions, staying plugged in to that. We'll be prepared to sit down with the committee's members to come up with what's starting to look like solutions that might be out there for us. We don't have one at this point, but I know we do have a deputy steering committee working on that with a number of Ministers. We're prepared to sit down with Members and give the latest information we have.

QUESTION 307-16(2) WATER QUALITY STANDARDS

Mr. Menicoche: Mr. Speaker, my questions today are for the Minister of Municipal and Community Affairs. I believe his department undertakes a lot of quality tests in the communities. During a recent tour a couple of my communities had some serious concerns about their water quality. I just wanted to know how often the community water supply is checked and what kind of database is acquired with that.

Mr. Speaker: Thank you, Mr. Menicoche. The honourable Minister responsible for Municipal and Community Affairs, Mr. Michael McLeod.

Hon. Michael McLeod: We try to run a multi-barrier approach to our drinking water here in the Northwest Territories. We have a number of

departments. We have two departments that provide testing of the water. First of all, the Department of Health usually will do some of the testing in the homes and in the water facilities. The water in the water plants is something we deal with through our community water plant operators. The testing, I believe, is supposed to be done on a regular daily basis.

Mr. Menicoche: I was just wondering: is there somebody in the communities who is able to watch or even monitor? Are the community councils aware of the level and quality of the water and if it's deteriorating? I just want to know if the councils get to see those results.

Hon. Michael McLeod: I would expect the councils get to see the water testing results. They are the ones running the water plants, so I'm sure they are fully involved with the results, including the testing done by Health.

Mr. Menicoche: When there are issues with the water quality, who would they contact in order to make a change? In one of my particular communities — I won't mention the name — the water was quite discoloured. They were quite concerned there. They didn't know who to contact in order to address that concern.

Hon. Michael McLeod: In normal circumstances the water plant operator would go to the community. The community would look at contracted services to assist them. In some cases, if it's mechanical, they may come to us through MACA. In other situations it may come through us to Public Works. There are a number of ways they can do this. In most communities, when contacted, the SAO would normally go to one of our superintendents.

Mr. Speaker: Thank you, Minister McLeod. Final supplementary. Mr. Menicoche.

Mr. Menicoche: I'd just like to know: can I get a copy of the actual quality or standards of water that are acceptable that I can forward to the smaller communities?

Hon. Michael McLeod: In response to the Member's question, of course we'd be happy to share the national guidelines that we operate under with the Member or any of the Members who are interested.

QUESTION 308-16(2)

TRAIN TRACKS ON THE DEH CHO BRIDGE

Mr. Abernethy: Mr. Speaker, I just want to follow up on a question asked by my colleague Mr. Bromley. I was really interested when I heard the question. I was really hoping that we'd get a response from the Minister of Transportation.

Unfortunately, there was no response or even acknowledgement that he heard this part of the question, so I'm going to ask this part again. In the buildup and the lead-up to the bridge did the Department of Transportation ever consider the possibility of putting some train tracks onto that bridge in order to take advantage of the crossing once it's completed?

Mr. Speaker: Thank you, Mr. Abernethy. The honourable Minister responsible for Transportation, Mr. Yakeleya.

Hon. Norman Yakeleya: For the Member, the issue of the bridge came up several times in terms of options to allow for a rail link: various options in terms of walking and different ways that this bridge could be constructed. At the end of the day it had to be based on the factor of pricing and what's realistic. These options were screened out and not seen as an option, like the railway for the Deh Cho Bridge.

Mr. Abernethy: Given the real likelihood that the price of oil is going to creep up over \$200 a barrel — which means the price of fuel for both commercial vehicles and non-commercial vehicles is going to be approaching \$2 a litre at some point — that just means the costs of our goods and supplies are going to be increasing in the Northwest Territories. Trains might actually be a real solution to help reduce our cost of living in the North or at least maintain it and stop it from growing anymore. Would the Minister commit to re-exploring the possibility of incorporating some tracks onto the Deh Cho Bridge?

Hon. Norman Yakeleya: Mr. Speaker, Hon. Minister Bob McLeod is looking at the whole issue of energy in the Northwest Territories to reduce the cost of living. We'll certainly have to sit down with the Deh Cho Bridge Corporation. With the reality of the increasing cost of fuel, we really have to sit down and look at the whole issue of a rail link into our communities. Anything's possible. I'm not too sure what the likelihood is in terms of having a rail link across the Deh Cho Bridge. If that requires significantly more dollars, I'm willing to have that discussion amongst all Members and certainly amongst our colleagues to have this final result in terms of what we can do.

Mr. Speaker: Item 8, written questions. The honourable Member for Tu Nedhe, Mr. Beaulieu.

Written Questions

QUESTION 21-16(2) ABORIGINAL EMPLOYMENT STATISTICS IN MACA

Mr. Beaulieu: Thank you, Mr. Speaker. In keeping with yesterday's question on affirmative action, I have a written question for the Minister of MACA.

- 1) For each of the last three years, 2006–07 to 2008–09, can the Minister provide the number of aboriginals employed in the following areas:
 - a) Sport, recreation and youth division, by position and terms of hire — indeterminate full-time, part-time, term, casual — and by location, HQ or region.
 - b) The total number of interns hired in the last three years, broken down by HQ or regions. Of that total, how many were aboriginal?
 - c) The total number of summer students hired in the last three years, broken down by HQ or region. Of that total, how many were aboriginal?

Mr. Speaker: Written questions. The honourable Member for Great Slave, Mr. Abernethy.

QUESTION 22-16(2) RETURN OF SERVICE BURSARIES

Mr. Abernethy: Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services and is related to Health and Social Services Return of Service Bursaries.

- 1) Since the implementation of the Health and Social Services Return of Service bursaries, how many returns have been awarded to northern residents, and what is the total cost to date?
- 2) Of these bursaries how many Northerners
 - are still in school, and what is the value, months and dollar of these bursary awards to date,
 - have completed their studies and have met their return of service obligation, total months and dollar value returned,
 - have completed their studies and are in the process of meeting their return of services commitment, total months and dollar value returned and outstanding,
 - did not complete their studies or completed their studies and left the NWT and still owe the GNWT money? How much do they owe?

Mr. Speaker: Thank you, Mr. Abernethy. 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. The honourable Member for Kam Lake, Mr. Ramsay.

Notices of Motion for First Reading of Bills

BILL 12 AN ACT TO AMEND THE HUMAN RIGHTS ACT

Mr. Ramsay: Thank you, Mr. Speaker. I give notice that on Thursday, June 12, 2008, I will move that Bill 12, An Act to Amend the Human Rights Act, be read for the first time.

Mr. Speaker: Thank you, Mr. Ramsay. 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 8, Committee Reports 2-16(2), 3-16(2) 4-16(2), 5-16(2), 6-16(2), 7-16(2), Tabled Document 37-16(2), with Mr. Krutko in the chair.

By the authority given me as Speaker by Motion 10-16(2), I hereby authorize the House to sit beyond the daily hour of adjournment to consider the business before the House.

Consideration in Committee of the Whole of Bills and Other Matters

Chairman (Mr. Krutko): I'd like to call the Committee of the Whole to order. Consideration in Committee of the Whole of bills and other matters, Committee Reports 2-16(2), 3-16(2) 4-16(2), 5-16(2), 6-16(2), 7-16(2), Tabled Document 37-16(2). What is the wish of the committee? Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. The committee's wish today is to continue on with the Main Estimates for capital infrastructure for Education, then moving on to the Department of Industry, Tourism and Investment and, if time permits, to the Department of ENR, Environment and Natural Resources. Thank you.

Chairman (Mr. Krutko): Does the committee agree?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): Okay. With that, we'll take a short break, and we'll continue on with Education, Culture and Employment.

The Committee of the Whole took a short recess.

Chairman (Mr. Krutko): When we broke, we agreed to continue on with Education, Culture and Employment.

MAIN ESTIMATES 2008–2009
DEPARTMENT OF
EDUCATION, CULTURE AND EMPLOYMENT

Chairman (Mr. Krutko): We can turn to page 7-5, Infrastructure Acquisition Plan. With that, I'd like to ask the Minister if he'll be bringing any witnesses.

Hon. Jackson Lafferty: Yes, Mr. Chair.

Chairman (Mr. Krutko): Is the committee agreed that the Minister can bring his witnesses?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): Sergeant-at-Arms, please escort the witnesses in. For the record, Mr. Minister, could you introduce your witnesses, please.

Hon. Jackson Lafferty: Mahsi, Mr. Chair. To my left I have the deputy minister, Dan Daniels, and to my right I have the director of strategic and business services, Mr. Paul Devitt.

Chairman (Mr. Krutko): Thank you, Mr. Minister. Welcome, witnesses.

We're on page 7-5, Infrastructure Acquisition Plan, Education, Culture and Employment, Total Capital Assets: \$21.728 million. Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chairman. On École Allain St-Cyr, phase 2, I'm just wondering if there are reasons why that has been delayed a year and what the role is of our partnerships in funding this project.

Chairman (Mr. Krutko): The Minister of Education.

Hon. Jackson Lafferty: Mahsi, Mr. Chair. I'll certainly get Mr. Devitt to elaborate a bit after I do my opening on this particular item.

We are in consultation with the federal government, because they do have a role to play in this particular second-phase project we're referring to. From my understanding, my department has met with the federal counterparts just last week. There is ongoing consultation with them.

At the same time, if I can just get Mr. Devitt to elaborate in more detail about what actually took place and where we're at.

Chairman (Mr. Krutko): Mr. Devitt.

Mr. Devitt: Mr. Chair, part of phase 1 of École Allain St-Cyr was to complete the schematic design for phase 2. We completed that I think more than a year ago and submitted that to Heritage Canada for consideration. Since that time, there was a community plan put forward for a larger community centre to be part of phase 2. We were able to consult with the various groups, including the FFT, and to actually change the schematic design for phase 2. We did this in the last several months and submitted the revised plan to Heritage Canada. As the Minister commented, we have had a teleconference with staff from Heritage Canada. We are planning another one in the next couple of weeks to answer their questions about the changes to the proposal.

Mr. Bromley: Thanks for that background. Do we know what the various roles in funding this will be for the different groups and governments involved here?

Mr. Devitt: Mr. Chairman, it's a little early to say anything. I can say that the more recent focus of Heritage Canada has been on shared or community spaces and the funding of that.

Mr. Bromley: Will there be some non-government dollars as well, or will these be pretty much federal and territorial dollars?

Mr. Devitt: Mr. Chair, at this point we're just talking to Heritage Canada, although additional community partnerships are always an option.

Mr. Bromley: That's fine. Thank you, Mr. Chair.

Chairman (Mr. Krutko): Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I did have a question on this project as well. I was given to understand, I think through an agreement with the Commission Scolaire and probably Heritage Canada or the federal government — and it may have had to do with the court case as well, actually — that this project was supposed to be completed by 2011 or 2012. That's not what's indicated here. Could I get a date of completion? There's \$13.973 million in future years. Is that all in 2011–12, or is that over a number of years? Is there a particular reason why this project is not going to be completed until after 2011?

Chairman (Mr. Krutko): The Minister of Education, Culture and Employment, Mr. Lafferty.

Hon. Jackson Lafferty: Mahsi, Mr. Chair. As Mr. Devitt indicated, I think we're at the preliminary stages with the federal government. We just gave them a schematic design. There's been a consultation with them through teleconference. We did highlight the future costs of \$13 million, as the Member indicated. At this stage we are waiting on the federal government to get back to us so that we can proceed forward. That's our situation right now as it stands.

Ms. Bisaro: So I guess from that answer, then, that there's no estimated date of completion for this project.

Hon. Jackson Lafferty: As it stands now, we don't have the actual date of completion, but we will formulate the schedule once it's confirmed by the federal government, their commitment of funding, and also from our department once we move forward. Then we're going to have those dates for the Members.

Chairman (Mr. Krutko): Infrastructure Acquisition Plan, Education, Culture and Employment, Total Capital Assets: \$21.728 million. Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. We've heard from Cabinet about the desire to establish standards and a way of dealing with our infrastructure that hopefully will result in some cost savings and some efficiencies. Can we expect that that new approach will be engaged in any of the new projects being proposed for starting off this year?

Chairman (Mr. Krutko): The Minister of Education, Culture and Employment, Mr. Lafferty.

Hon. Jackson Lafferty: Mahsi, Mr. Chair. That certainly is one of the areas that PWS is initiating. We are part of the process as well. Whenever it's initiated, then we'll comply with the regulation.

Mr. Bromley: Again, I think there was a pretty good agreement throughout the House for that new approach. I'm still wet behind the ears as an MLA, but I have to say that I've seen energy costs go up unbelievably just in my short, wee life here, some real realities there. I know that schools, for example, are really rather large pieces of infrastructure that are somewhat specialized and expensive. I'm hoping that this department, as all others, is fairly aggressive in making progress on getting those standards implemented and realizing the benefits that, hopefully, they'll bring.

Hon. Jackson Lafferty: Certainly we will follow through with the PWS direction on the new infrastructure designs. Our department will follow through with that. That will certainly save some costs to our department, not just to our department

but other departments within the Government of the Northwest Territories, on infrastructure. Mahsi.

Chairman (Mr. Krutko): Next on the list I have Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I had a question in regard to the item titled Education Authority Student Achievement System. It indicates that it's territorial. I wonder if I could get an explanation of that expense, please.

Chairman (Mr. Krutko): Mr. Devitt.

Mr. Devitt: Thank you. The student achievement system — it's referred to as EASAS — is the record-keeping system that's used in all schools in the Northwest Territories now.

Ms. Bisaro: What is this expense? I understand it's a system that everybody is using. Is this some software expense? Is this a hardware expense? What is it?

Mr. Devitt: Mr. Chair, it's for the purchase and implementation of the software.

Chairman (Mr. Krutko): Education and Culture, Tangible Capital Assets: \$21.728 million. Agreed?

Department of Education, Culture and Employment, Infrastructure Acquisition Plan, Education and Culture, Tangible Capital Assets: \$21.728 million, approved.

Chairman (Mr. Krutko): Page 7-6, Infrastructure Acquisition Plan, Education and Culture, Infrastructure Contributions, Total Infrastructure Contributions: \$3.7 million. Agreed?

Department of Education, Culture and Employment, Infrastructure Acquisition Plan, Education and Culture, Infrastructure Contributions, Total Infrastructure Contributions: \$3.7 million, approved.

Chairman (Mr. Krutko): Total Activity, \$25.428 million. Agreed?

Department of Education, Culture and Employment, Infrastructure Acquisition Plan, Education and Culture, Total Activity: \$25.428 million, approved.

Chairman (Mr. Krutko): Moving on to page 7-8, Advanced Education and Careers, Infrastructure Acquisition Plan, Tangible Capital Assets, Total Tangible Capital Assets: \$2.78 million. Agreed?

Department of Education, Culture and Employment, Infrastructure Acquisition Plan, Advanced Education and Careers, Tangible Capital Assets, Total Tangible Capital Assets: \$2.78 million, approved.

Chairman (Mr. Krutko): Infrastructure Contributions, Total Infrastructure Contributions: \$250,000. Agreed?

Department of Education, Culture and Employment, Infrastructure Acquisition Plan, Infrastructure Contributions, Total Infrastructure Contributions: \$250,000, approved.

Chairman (Mr. Krutko): Total Activity: \$3.03 million. Agreed?

Department of Education, Culture and Employment, Total Activity: \$3.03 million, approved.

Chairman (Mr. Krutko): Total Department: \$28.458 million. Agreed?

Department of Education, Culture and Employment, Total Department: \$28.458 million, approved.

Chairman (Mr. Krutko): So with that, we agreed that we've concluded the Infrastructure Acquisition Plan, but we have deferred a department. I'd like to thank the Minister and his witnesses and move on to the next department, which is Industry, Tourism and Investment. With that, Sergeant-at-Arms, can you escort the witnesses out, please.

MAIN ESTIMATES 2008–2009
DEPARTMENT OF INDUSTRY,
TOURISM AND INVESTMENT

Chairman (Mr. Krutko): Okay. As we agreed, we'll continue on with the Department of Industry, Tourism and Investment. With that, I'd like to ask the Minister responsible for the department, Mr. Bob McLeod, to make his opening comments in regard to the department estimates.

Hon. Bob McLeod: Thank you, Mr. Chairman. Colleagues, on behalf of the Department of Industry, Tourism and Investment I am pleased to present the proposed Main Estimates for the fiscal year 2008–2009. These estimates propose total operational expenses of approximately \$45.6 million for the coming fiscal year. This represents a 4.1 per cent, or \$1.6 million, reduction in the overall operating budget of the department prior to the investment of \$8.3 million in strategic and other initiatives. These Main Estimates also propose a total capital investment over three years of \$7.4 million, dedicated entirely to the NWT parks and tourism system.

Mr. Chairman, the mandate of the Department of Industry, Tourism and Investment is to encourage economic development and foster economic self-sufficiency in the Northwest Territories. This mandate supports the commitment of our government that all residents of the Northwest Territories must have the opportunity to build a stronger future for themselves, their families and

their communities. To that end, our determination in this budget was led by the simplest of tests: will our work contribute to an improvement in the quality of life for all NWT residents, will it maximize opportunities for residents, their businesses and their communities, and will it contribute to a reduction in the rising cost of living here in the Northwest Territories?

We will continue to work directly with regions and communities to develop sustainable local economies and to reduce regional and community disparity. As a government we are acutely aware that the value of our traditional economy and our fur industry, in particular, far exceeds what is evidenced in economic terms or statistics. Investments in the traditional economy, the arts and crafts sector and tourism will help our residents to bridge the gap between subsistence and survival and provide a reliable and sustainable safe haven against the fluctuations of a boom-and-bust economy.

Funding for cultural interpretive programs in our parks and for the Tourism Product Diversification and Marketing Program will continue to build tourism in the Northwest Territories in a manner that will drive the development of viable and sustainable small business ventures in each of our Territories' 33 communities. This budget includes significant capital increases for new parks, infrastructure and enhancements to existing parks, critical investment in tourism infrastructure that will allow us to meet a rising market demand for unique tourism products such as only the Northwest Territories travel experience can provide.

We are aware that support programs remain essential to developing businesses in the Northwest Territories and especially in smaller communities. This budget, therefore, proposes new funding for programs that will support entrepreneurs and economic development under a new support to entrepreneurs and economic development policy, SEED.

Our residents, businesses and corporations are now looking beyond jobs and contracts that follow the boom and bust of construction and exploration cycles. Instead, they are finding ways to take a direct role in our region's economic growth as business owners, operators and investors. The advancement of the Mackenzie Gas Project is a primary example. It will mark the beginning of a new era of economic opportunity for the Northwest Territories, of increased jobs and business opportunities. This budget renews our commitment to the Mackenzie Gas Project and to the Mackenzie Valley Pipeline Office, which will coordinate our government's planning in response to this project.

We will also continue our support of the Aboriginal Pipeline Group. It has set the bar for a new model

of aboriginal participation in the economy through its shared ownership of the Mackenzie Gas Project.

While interest and investment in the NWT are rising so, too, is the cost of living and working here. It is an unacceptable irony that while we have a tremendous supply of energy resources, the cost of energy in our communities remains expensive and is the single most significant contributor to our high cost of living. The development of hydroelectricity to reduce the cost of living in our communities and to power our mines and future oil and gas developments epitomizes the concept of sustainable development that we so widely promote.

This budget identifies significant investment to advance the Taltson Hydro Expansion Project through the regulatory process and into the pre-construction stage. It provides funding to build on this particular model, to advance other hydro development in the interest of further reducing the cost of living in the future. Reliable and affordable energy should be available in all NWT communities, and in the short term this budget also identifies investment that will allow us to consider and review the regulatory and administrative systems related to the provision of electricity in the NWT.

Mr. Chairman, colleagues, these initiatives and strategic investments highlight the ongoing work of the Department of Industry, Tourism and Investment to promote the growth of a vibrant, diverse and sustainable economy for the Northwest Territories. Thank you, Mr. Chair.

Chairman (Mr. Krutko): Thank you, Minister McLeod. At this time I'd like to ask the chairperson for the standing committee that is responsible for reviewing the department under consideration if they have any comments in regard to the department's estimates. Mr. Ramsay.

Mr. Ramsay: Thank you very much, Mr. Chairman. The committee met with the Minister and his staff on April 8 and 11, 2008, to consider the department's 2008–2009 Draft Main Estimates.

The committee noted that the department is proposing to spend \$45.593 million in operating expenses for the fiscal year 2008–2009. The proposed budget for the department's capital plan is \$3.828 million. Committee members offered the following comments on issues arising out of the 2008–2009 Draft Main Estimates, and for that I'm going to pass the floor over to my colleague Mr. Bromley from Weledeh.

Chairman (Mr. Krutko): Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair.

Energy Initiatives

Committee members support the proposed energy initiatives to further develop renewable energy potential in the Northwest Territories. Members noted that the proposed review of electricity rates, regulations and subsidy programs is an important first step in the provision of reliable and affordable energy sources to residents of the NWT. Members look forward to providing additional input into the review as it moves forward.

The committee recognizes the potential for hydro development in the NWT to provide more affordable and efficient energy sources. Members support the Taltson Hydro Expansion Project but stress the need to continue to invest in the development and implementation of many hydro projects and other approaches to renewable energy.

Energy Coordination

Members had a number of comments and questions related to the approach to energy policy and planning within the GNWT. Currently ITI has the responsibility for overall energy management and planning within the government. ENR's responsibilities are primarily related to climate change, adaptation and mitigation and the development of alternative energy sources. Members questioned why some renewable energy developments, such as hydro, are the responsibility of ITI while other approaches, such as wind energy development, fall under ENR.

Members also noted that separating responsibilities for the implementation of the Energy Plan and the Greenhouse Gas Strategy between the two departments might not be an effective approach to achieving the intended outcomes of either strategy. The committee believes it would be useful to review the role of the two departments in the development of renewable energy policy and planning in order to ensure greater efficiencies and effectiveness.

Support for the Traditional Economy

The traditional economy — agriculture, fishing, trapping and commercial game harvesting — is an important but increasingly undervalued sector of the NWT economy. The NWT is rich with an abundance of renewable resources that could be developed into small-scale businesses that can diversify local economies, promote greater self-reliance and preserve traditional land-based activities. Committee members are very concerned with the lack of support for this important sector. The committee recommends that the department develop a comprehensive framework that identifies strategies to enhance the traditional economy, particularly agriculture, market gardening and other forms of local food production.

Reduction to the Commercial Fishery

Committee members were disappointed with the reduction of funding to the commercial fishery. Members recognize that there are serious challenges within the commercial fishing industry. However, a large part of the problem is the low price for fish set by the Freshwater Fish Marketing Corporation. The set price does not keep pace with increased operating costs experienced by NWT fishers. The proposed cuts further diminish the viability of this industry. Members felt that more could be done to establish and implement a meaningful recovery plan. Such a plan could include assisting NWT fishers to find alternate markets, providing assistance in marketing their product and establishing appropriate manufacturing facilities.

Mr. Chairman, I'd like to now turn it over to my colleague Mrs. Groenewegen.

Chairman (Mr. Krutko): Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman.

Economic Initiatives

The committee is generally supportive of the departmental efforts in the area of business and economic development. It is particularly pleased with the support for entrepreneurs and economic development program, SEED, and sees it as an important tool for expanding local economies, particularly within the smaller NWT communities.

Committee members raised issues related to the potential overlap in services for the Business Development Investment Corporation, Community Futures and other business development support services. Recommendations have been made in the past for the department to consider establishing a one-window approach for these services at the regional level. The committee encourages the department to consider ways to streamline these services in order to ensure better coordination and to avoid duplication.

Tourism and Parks

The committee raised concerns about the proposed Cultural Interpretation at Parks Program as a new strategic initiative. Under this initiative the department is proposing to develop cultural programs at a number of territorial parks to increase visitation and improve the overall park experience for tourists. Members support the concept but noted that this could be achieved using existing resources; for example, campground operators or cultural organizations could apply through the Tourism Product Diversification Program to deliver a range of cultural programs within the parks. Members recommend that the

department pursue other means to support this activity.

The committee also recommends that the Parks Renewal Strategic Infrastructure project be cancelled. Members noted that at a time of fiscal restraint there are greater priority needs that could be addressed through this level of investment. Under the Territorial Parks Act there are regulations that support the creation of wilderness and cultural conservation areas, natural wilderness parks and protected areas. While ITI is responsible for the creation and regulation of territorial parks, ENR has the responsibility for conservation and protected areas. Members discussed the overlap of responsibility between the two departments and recommend that there be a review to determine if conservation goals can be effectively met through ITI.

At this time I will pass the report back to our chairman, Mr. Ramsay. Thank you, Mr. Chairman.

Chairman (Mr. Krutko): Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman.

Maximizing Benefits from Resource Extraction

Committee members noted with concern the lack of proposals to increase revenues to the government from non-renewable resource extraction. Members identified a number of potential revenue streams, including owning equity stakes in diamond mines and oil and gas production, implementing a mineral or resource tax and exploring opportunities to expand secondary and tertiary industries related to diamond and oil and gas production.

Mr. Chairman, that concludes the committee's comments on ITI's Main Estimates. I'd just like to thank Ms. Cate Sills, our committee researcher, and Ms. Patricia Russell, our Committee Clerk, for all of their help and efforts through the process.

Chairman (Mr. Krutko): Thank you, Mr. Ramsay. With that, I'd like to ask the Minister responsible for Industry, Trade and Investment if he'll be bringing in any witnesses.

Hon. Bob McLeod: Yes, I will, Mr. Chairman.

Chairman (Mr. Krutko): Does the committee agree that the Minister bring in his witnesses?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): Sergeant-At-Arms, could you escort the witnesses in.

Chairman (Mr. Krutko): Mr. Minister, for the record can you introduce your witnesses, please?

Hon. Bob McLeod: Thank you, Mr. Chair. With me on my left I have Mr. Peter Vician, deputy minister of ITI, and on my right I have Ms. Nancy Magrum, the director of shared services with ITI and ENR.

Chairman (Mr. Krutko): Thank you, Mr. Minister. Welcome, witnesses.

Let's be brief. We'll allow all Members to make general comments, and at the end the Minister will have an opportunity to respond to the general comments of the Members. So with that, we're open for general comments. Is the committee agreed to go detail?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): We can turn to page 10-7, Department Summary. We'll start there and defer that till the end. So moving on to page 10-8, Active Positions — By Region. Mr. Abernethy.

Mr. Abernethy: Thank you, Mr. Chair. My comments in this section are going to sound very similar to the comments I've made in the other departments. I'm trying to reconcile in my brain the reductions in positions. Looking at this page, it looks like you're reducing by four positions, yet I'm under the understanding that over five incumbents have been notified of potential layoff status. So first and foremost, I want to know exactly how many positions are in fact being eliminated from the Department of Industry, Tourism and Investment and of those positions which ones are vacant, which ones are filled, and what process or criteria were used in determining which ones should be eliminated and which ones should be kept within the department.

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chairman. Six positions are being eliminated: the manager of IS in Yellowknife, an assistant deputy minister position in Yellowknife, an executive secretary position in Yellowknife, an oil and gas specialist in Inuvik, a Mackenzie Valley pipeline officer specialist position in Hay River and a corporate service clerk in Norman Wells. All positions are vacant: three in Yellowknife, three in other communities. In addition to these six, the BDIC is also reducing one position. The position is a manager, Canada Business Centre, and that position has an incumbent.

Our approach was to look at vacant positions, and the process that we went through is that there are no positions with affected employees in the 2008–2009 budget. Upon notification of the proposed reductions, ITI senior management locked down to review all programs and services areas. Certain programs and services were identified as to be excluded because of recently made commitments;

for example, support to tourism diversification, support to entrepreneurial and economic development programs, Take a Kid Trapping. We looked at programs where activity or subscription levels had decreased, where program reductions would have less of an effect on services to communities. We avoided any areas where recent, major strategic areas were announced; for example, the energy plan, Tourism 2010, the business program review. We avoided any areas where there is a legislative requirement. We asked: could the department continue to operate without this program and service? Throughout the process we kept watch on the people and positions and tried to avoid any position cuts that involved a layoff. Proposals were consolidated and provided to the FMBS for FMB consideration. That was the process we used, Mr. Chairman.

Mr. Abernethy: I'm still a little confused. Are all six vacant now? Were all six vacant at the beginning of this process? I'm curious, because I'm under the understanding that six employees of ITI were in fact notified that they were potentially affected employees. And if all your positions were vacant, I'm not sure why you'd be notifying any employees within your department that they're getting laid off.

Hon. Bob McLeod: The reason for that is that all employees potentially affected both in 2008–09 and 2009–10 have been advised. That's why the Member has the number that he arrived at.

Mr. Abernethy: So you're notifying people whose positions are potentially affected next year when we haven't done the budget exercise for next year or the business plan for next year. I guess I'm curious as to why you felt it was necessary to notify people in the '08–09 fiscal year when there's no certainty that those positions will in fact be affected in '09–10.

Hon. Bob McLeod: I guess we're adhering to the direction or some suggestions that we heard from the union and also from some of the Members across that said that we should in all cases try to minimize the reduction of employees and that, through this potentially affected exercise, we were able to advise employees that were potentially affected, except for those positions that were reduced through motions from the House. We haven't been able to deal with that yet.

Mr. Abernethy: That answer doesn't make any sense to me at all. I guess I'm wondering why you've taken the leap to go into the '09–10 year when we're still doing the '08–09 year, and there are six individuals there that you've told their jobs are going to be eliminated. Do they know that their jobs are being eliminated in '09–10 or, rather, potentially eliminated in '09–10, given that we have done neither business planning nor budgeting at

this point? It still seems a little premature. I'm not sure the union would tell you to lay off anybody at this point in time. In fact, if you listen to the rhetoric out there, it's kind of exactly the opposite. So if you can help me understand any of that, that'd be great.

Hon. Bob McLeod: We are talking about potentially affected. In the Budget Address, for example, we have made reference to reviewing the Business Incentive Policy. So that could mean people involved there could potentially be affected.

Mr. Abernethy: I know I sound like I'm repeating myself, but let me see if I can get an answer on this one. Who gave you direction to notify the people that their positions are going to be eliminated in '09-10? Who gave you the direction to let them know that they're potentially affected at this point when, obviously, it's a little on the premature side?

Hon. Bob McLeod: That was the practice we've been following. The BIP issue is widely covered in the media. It was felt that it was important that we advise the employees.

Mr. Abernethy: I wasn't asking questions about BIP. As of what date are these six individuals' jobs to end?

Hon. Bob McLeod: Six positions are vacant and will be subject to...whether the budget is approved or not.

Mr. Abernethy: No. I understand the six positions for '08-09 are vacant. As I've indicated before, I'm not too concerned about the elimination of vacant positions.

I am concerned about the elimination of individuals. So when I'm asking about as of what date are their jobs to end, I'm talking about the six individuals who you've identified for '09-10 that are going to be eliminated, although, as I've indicated, it seems a little premature, given that we haven't even done business planning or the budget for '09-10.

Hon. Bob McLeod: Subject to the 2009-10 budget, subject to decisions being made on a number of proposals.... It would be at whatever time the 2009-10 budget was approved and subject to a number of decisions being made with regard to a number of different policies and programs.

Mr. Abernethy: When you notified these six individuals that their jobs are potentially affected, were they given a potential date that their positions would be eliminated? Were they given any sort of idea or concept as to when their positions would no longer exist and they would have to be either let go or, hopefully, placed somewhere within the system?

Hon. Bob McLeod: Mr. Chair, we have no date. All we did was advise them that their positions

could potentially be affected. I'll use the example of BIP again. That's a position that was mentioned and announced in the budget. So obviously, the people that work in that office would have become aware that we were looking at it. That's why we felt it was appropriate that we should let them know.

Chairman (Mr. Krutko): Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I want to follow up on my colleague Mr. Abernethy's line of questioning. I'm just wondering if people have been notified that their positions might be affected. I know that in other government departments individuals who have received those notification letters have in fact been either shuffled out or shuffled to another department or another position. If we're reaching out there and sending out notification letters that would potentially impact somebody in '09-10, that, to me, is a bit far-fetched. Is that a practice government-wide? I know there are a number of reduction scenarios that could come into play during the next business planning process in the next budget. Is this standard across the government?

Chairman (Mr. Krutko): Minister Bob McLeod.

Hon. Bob McLeod: I would have to confirm whether in fact we are sending notices. As far as I know, we have just notified the staff that this discussion was occurring. If the Member is asking if I specifically sent them a letter with dates and so on, I'd have to confirm that. As far as I know, it was verbal notification, not written. In the case of ITI, they would have received written letters, but I don't know about other departments.

Mr. Ramsay: I'd like to thank the Minister for that. Perhaps just to add to the conversation that we're having here this afternoon, maybe, Mr. Chairman, I could ask a question through you to the Premier. Is this a practice government-wide? Are we sending out notification letters to employees that are impacted in the '09-10 budget, or is ITI special?

Chairman (Mr. Krutko): I'll recognize the Premier, Mr. Roland.

Hon. Floyd Roland: Thank you, Mr. Chairman. The fact that this reduction — and all the departments had to look at their targets that were accepted and put forward in this draft budget — is one that we know the implementation of.... By accepting the target that's here for this year, we know it will have an impact in future years. So that is why employees are being notified for even '09-10. They know that the fact is some of these targets will not be fully achieved in the time we have within this budget. But the fact that we have accepted the plan and the reduction target in '08-09 will also flow

into future years. That's why it's being presented in this manner.

Mr. Ramsay: I've been here for four and a half years, and it's confusing to me why we're doing it this way and how this is happening. I can only imagine how confusing this is for the members of our public service who have got notification letters based on some hypothetical budget of next year. It just doesn't make a lot of sense. Nothing's been approved yet; even this budget hasn't been approved yet. Mr. Chairman, that concerns me. We're rushing out doing all of this moving people around, and nothing has been decided yet. There's something about that, that's not quite right.

I know the Minister of ITI is referencing positions with the Business Incentive Program or in that office. According to the information I have for the six positions that come up next year, I don't see anything having to do with BIP or the reference to BIP, so maybe I could get a clarification from the Minister which positions those are.

Hon. Bob McLeod: For 2009–10 there are 6.5 position reductions proposed: a multi-media officer, communications officer, manager of investment, IEA consultant, resource development position, mineral economist and oil and gas specialist. So five of those positions are affected.

Mr. Ramsay: Again, I'm not sure if the information we've gotten previously from Human Resources is exactly accurate. There are a number of positions that don't seem to correlate with what the Minister said. It doesn't have any reference in what we received previously to the BIP position. Maybe we could just get a commitment from the Minister to get us that list so we can compare it to the previous list that we got and try to make some sense of it.

Chairman (Mr. Krutko): Mr. Minister, is there a chance that you can circulate that information so that Members have it at hand and can see exactly what positions we're talking about?

Hon. Bob McLeod: Thank you, Mr. Chair. We'll provide it as soon as we can make copies.

Chairman (Mr. Krutko): Active Positions by Region, information item.

Department of Industry, Tourism and Investment, Department Summary, Active Positions — By Region, information item, approved.

Chairman (Mr. Krutko): Mrs. Groenewegen.

Mrs. Groenewegen: Thank you. Mr. Chairman. I just want to follow up a little bit more. I hope it doesn't make things worse to follow up on Mr. Abernethy's and Mr. Ramsay's questions, but when talking about the '09–10 potentially affected

positions, because of the Minister's reference to the BIP in the same answer, I have to assume that he is suggesting that the '09–10 positions identified for which employees have been notified are related to the BIP. That's my question.

Chairman (Mr. Krutko): Minister Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Chairman. I guess in my response I was suggesting: well, how would we deal with a situation like that, where we made public that we are reviewing the BIP — how we would deal with that — and we haven't written to anybody in the BIP office?

Mrs. Groenewegen: So the Minister was just using the reference to the BIP as an example to say, "This is potentially targeted, so are six occupied positions potentially targeted for reduction." So he's just using that as an example, a comparison. There's no relationship between the targeted positions and the actual performance of the duties around the Business Incentive Policy.

Chairman (Mr. Krutko): Maybe try to bring us back to the page that we're at, because we're talking about something that's in the year 2009–2010. I know the discussion was open to that matter, but the item that's before us does not touch on those positions in regard to the budget and the page item that we're on. I'll allow the Minister to respond, but I think we have to come back to reality. This is the 2008–2009 budget. We're talking about 2009–2010 possibilities, and I think we're starting to wander off here. Mr. Minister.

Hon. Bob McLeod: Thank you, Mr. Chair. We've already committed to providing the list to the Members, so we'll try to do that as soon as we can.

Chairman (Mr. Krutko): With that, can we focus on the page that's in front of us, dealing with the Active positions, information item? Okay. Ms. Bisaro.

Ms. Bisaro: Thank you. Just a question of clarification. The information on positions that we will receive: will that be for both this fiscal year and the next fiscal year? That's what I would like to see, please.

Chairman (Mr. Krutko): Mr. Minister.

Hon. Bob McLeod: Thank you, Mr. Chair. I guess that if you want both, we can provide both.

Ms. Bisaro: Yes, please.

Chairman (Mr. Krutko): Okay. So that will be provided to Members.

Active Positions — By Region, information Item. Agreed?

Department of Industry, Tourism and Investment, Department Summary, Active Positions — By Region, information item, approved.

Chairman (Mr. Krutko): Active Positions, Community Allocation, information Item, page 10-9. Agreed?

Department of Industry, Tourism and Investment, Department Summary, Active Positions — Community Allocation, information item, approved.

Chairman (Mr. Krutko): Moving forward, page 10-10, Revenue Summary, information Item. Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I wondered about the trademark royalties amount. It's considerably reduced from '06-07, and reduced \$50,000 from '07-08. Could I get an explanation, please?

Chairman (Mr. Krutko): The Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. Last year we had overestimated our revenues. This year our estimates are closer to the actual revenues that we recover from trademark royalties.

Ms. Bisaro: So basically we're underestimating revenues for this year compared to last year by \$50,000. Is that correct?

Hon. Bob McLeod: If you go back and look at the 2006-07 actuals, it was the year where we had to do some catch-up in collecting royalties. So the \$200,000 we estimated was higher than what we actually collected. We feel we are closer to a more realistic revenue forecast for 2008-09.

Ms. Bisaro: Okay. Thank you.

Chairman (Mr. Krutko): Next on the list I have Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. Under Parks Merchandise in the '07-08 Main Estimates you had \$60,000 budgeted, and Revised Estimates showed \$60,000. This year the Main Estimates show \$30,000. I'm just wondering: are we not selling the parks merchandise at as many outlets? What's happened to the marketing of that product?

Chairman (Mr. Krutko): The Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. In an effort to have reasonably accurate revenue forecasts, we have reduced the number for parks revenue. If you look at 2006-2007, the actuals are \$25,000. We feel that \$30,000 is a more accurate forecast.

Mr. Ramsay: On the \$60,000 in the Revised Estimates: wouldn't you, if you wanted to come to some kind of real number, take the \$25,000 actuals in '06-07 and come somewhere in between those two figures?

Hon. Bob McLeod: The \$30,000 is based on historical revenues. I guess it's a question of whether we should overestimate or underestimate.

Mr. Ramsay: I just have to ask this question. If we're going on historicals in '08-09, what happened in '07-08, when we budgeted \$60,000?

Hon. Bob McLeod: We estimated higher than what we actually collected, so \$30,000 is more closely aligned with what we collected under parks merchandise.

Mr. Ramsay: What was actually collected in '07-08 under parks merchandise revenue? Do we know that?

Hon. Bob McLeod: We don't have the finalized public accounts yet. Once we have that, we can provide the Member with that information.

Chairman (Mr. Krutko): We're on page 10-10, Revenue Summary, information Item. Agreed?

Department of Industry, Tourism and Investment, Department Summary, Revenue Summary, information item, approved.

Chairman (Mr. Krutko): Moving on to page 10-13, Corporate Management, Activity Summary, Operations Expenditure Summary: \$6.661 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Corporate Management, Operations Expenditure Summary: \$6.661 million, approved.

Chairman (Mr. Krutko): Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I'd like to move a motion.

COMMITTEE MOTION 39-16(2)
 THAT THE DEPARTMENT OF ITI REVIEW
 ITS MANAGEMENT STRUCTURE TO BRING
 SENIOR MANAGEMENT POSITIONS INTO
 PROPORTION WITH TOTAL POSITIONS
 IN THE DEPARTMENT
 (COMMITTEE MOTION CARRIED)

Mr. Ramsay: I move that this committee strongly recommends that the Department of Industry, Tourism and Investment review its management structure to bring the number of senior management positions into proportion with the total number of positions within the department;

and further, that the department include its analysis and any necessary structural changes within its departmental business plan to be considered in the fall of 2008.

Chairman (Mr. Krutko): The motion is in order. The motion is being circulated. To the motion, Mr. Ramsay.

Mr. Ramsay: Yes. Thank you, Mr. Chairman. I mentioned yesterday — I believe it was yesterday in my statement — that the Department of ITI seems somewhat top-heavy. There are 21 managers in that department.

If we are in times of reductions and looking at reduction exercises, the committee feels that we should be taking a look at the management structure and not just in ITI. ITI is, arguably, the worst offender, but we've got to bring management in line with the people that they're there to supervise and oversee and the functions they serve. I think we need to be always looking at that, to try to do more with what we've got. Like I said, 21 senior management positions in a department the size of ITI is just too many. We'd like to see some movement in that direction in the business plans in the fall.

Chairman (Mr. Krutko): To the motion?

Some Honourable Members: Question.

Chairman (Mr. Krutko): The question is being called.

Motion carried.

Chairman (Mr. Krutko): We're on page 10-13. Mrs. Groenewegen.

COMMITTEE MOTION 40-16(2)
 THAT THE DEPARTMENT OF ITI REVIEW
 ORGANIZATIONAL STRUCTURE TO ENSURE
 ALL OPPORTUNITIES FOR DECENTRALIZATION
 ARE MAXIMIZED AND INCLUDE THIS
 INITIATIVE IN BUSINESS PLANS
 (COMMITTEE MOTION CARRIED)

Mrs. Groenewegen: Thank you, Mr. Chairman. I also have a motion.

I move that this committee strongly recommends that the Department of Industry, Tourism and Investment review its organizational structure to ensure that all opportunities for decentralization of the department's functions and personnel into the regions are maximized;

and further, that the department include its analysis and necessary decentralization initiatives within its departmental business plan to be considered in the fall of 2008.

Chairman (Mr. Krutko): The motion is in order. The motion is being circulated. To the motion, Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. The motion is pretty well self-explanatory. We're looking at the structure of the Department of ITI. Mr. Ramsay's motion, which was just voted on, speaks to the fact that there are a lot of positions in the upper management of this department. It is good, from time to time, to look at any functions that can be decentralized to the regions. A number of the regions are being negatively impacted by these potential job reductions in the communities. We just believe that ITI is a department that could potentially look at further opportunities. That is the reason for this motion.

Chairman (Mr. Krutko): To the motion.

An Honourable Member: Question.

Chairman (Mr. Krutko): The question is being called.

Motion carried.

Chairman (Mr. Krutko): Mr. Abernethy.

COMMITTEE MOTION 41-16(2)
 THAT THE DEPARTMENT OF ITI DEVELOP
 A STRATEGY TO INCREASE ABORIGINAL
 EMPLOYMENT IN MANAGEMENT POSITIONS
 AND INCLUDE STRATEGY IN BUSINESS PLANS
 (COMMITTEE MOTION CARRIED)

Mr. Abernethy: Thank you, Mr. Chair. I have a motion.

I move that this committee strongly recommends that the Department of Industry, Tourism and Investment take immediate action to develop a strategy to increase aboriginal employment in management positions and across the department;

and further, that the department include the strategy within its departmental business plans to be considered in the fall of 2008.

Chairman (Mr. Krutko): The motion is in order. The motion is being circulated. To the motion, Mr. Abernethy.

Mr. Abernethy: Thank you, Mr. Chair. I'm going to be really brief. This is similar to the motion we raised yesterday. Although ITI does have a fairly decent aboriginal representation at the lower levels within the department, it is still low in the senior management and management-level positions. We would like to see this department take the lead and increase their aboriginal representation at the senior and management levels.

Chairman (Mr. Krutko): To the motion?

Some Honourable Members: Question.

Chairman (Mr. Krutko): The question is being called.

Motion carried.

Chairman (Mr. Krutko): We're on page 10-13, Corporate Management, Activity Summary, Operations Expenditure Summary, \$6.661 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Corporate Management, Operations Expenditure Summary: \$6.661 million, approved.

Chairman (Mr. Krutko): Moving on to page 10-14, Activity Summary, Corporate Management, Grants and Contributions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Corporate Management, Grants and Contributions, approved.

Chairman (Mr. Krutko): Page 10-16, information item, Corporate Management, Active Positions. Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. This page shows a reduction of five positions. The information that the committee was given during the review of the budget indicates that these five positions are ADM, strategic initiatives; executive secretary, manager, Informatics; and a corporate services clerk.

When I look at the proposed reductions for '09-10, those positions seem to show up there; at least, one of them does. I'm again back to the confusion of whether or not the reductions are including amounts from position reductions in '09-10 or if it's only just '08-09.

Chairman (Mr. Krutko): The Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. I'm not sure where the reference to '09-10 is on this page, but those positions the Member raised were with regard to 2008-2009.

Chairman (Mr. Krutko): I don't see the item on this page. Ms. Bisaro.

Ms. Bisaro: No. That's good. Thank you.

Chairman (Mr. Krutko): Corporate Management, Active Positions, information item. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Corporate Management, Active Positions, information item (page 10-16), approved.

Chairman (Mr. Krutko): Moving on to page 10-17, information item, Corporate Management, Active Positions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Corporate Management, Active Positions, information item (page 10-17), approved.

Chairman (Mr. Krutko): Page 10-19, Activity Summary, Minerals and Petroleum Resources, Operations Expenditure Summary: \$6.018 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Operations Expenditure Summary: \$6.018 million, approved.

Chairman (Mr. Krutko): Moving on to page 10-21, Minerals and Petroleum Resources, Grants and Contributions. Ms. Bisaro.

Ms. Bisaro: I'm sorry. Can we go back to 10-19, or have we left there already?

Chairman (Mr. Krutko): Is the committee agreed to go back to 10-19?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): Ms. Bisaro.

Ms. Bisaro: Thank you. Since we're dealing with 10-19 and 10-20, there are a number of reductions that have been suggested — sorry. Strategic initiatives. This is being added in. There's the Mackenzie Gas Project. The information the committee received suggests that there's a pipeline regulatory specialist and that there are also legal services for NEB participation and oil and gas socio-economic agreement contributions.

My questions. All of this is related to the Mackenzie Gas Project and particularly to the NEB hearings joint review panel report and sort of the whole provision of reporting and information and so on for the Mackenzie Gas Project. With the joint review panel report not being expected until January or February of '09, to me there's basically no activity in this particular area. I'd like to get some explanation from the department, from the Minister, as to why we should be extending some \$350,000 on the Mackenzie Gas Project when it doesn't seem to me there's anything we need to spend the money on.

Chairman (Mr. Krutko): The Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. The Member is correct as to the joint review panel; we expect their report in January 2009. I guess I should point out that the pipeline hearings were very long and complex. It took at least two years to

hold all the hearings. Our expectation is that the report will be fairly technical and complex in nature.

The process would be that the report would be transferred to the National Energy Board to review, so there's a requirement for outside legal advice for the National Energy Board participation. As the Member knows, the National Energy Board is a federal regulatory tribunal before whom legal representation is required.

This particular area of law is very specialized. For that reason, it's not as if we can just pick up expertise here and there. It's something we think we've spent a lot of time developing since applications were filed in October 2004. We would have no capacity to do preparatory work for the NEB and other matters that come before us. For example, there is an application for facilities required to connect the Mackenzie Valley pipeline to the TransCanada pipeline corporation's main hub. For example, the Vardie and Dickins Lake connections are before the Alberta Energy and Utilities Board and require monitoring by the GNWT.

I guess that's the main area. The specific responsibilities of the pipeline regulatory specialist are to provide technical, legal and policy advice and assistance to the government. It's also responsible to assist external legal counsel in representing the Government of the Northwest Territories. Specific responsibilities are to review and develop policies related to the development of the Mackenzie Gas Project so that our government can effectively engage in these hearings.

So it's expertise that we've spent a lot of time developing, and it's important for us to keep in-house. Thank you, Mr. Chair.

Ms. Bisaro: Thank you for the information. I'm not suggesting that we shouldn't be prepared. I understand the regulatory specialist position is sunsetted, and it's probably a good idea to keep the person in that position, because they do have special expertise.

But I have a couple of questions with regard to paying for expert legal counsel when there doesn't seem to be anything happening. I don't know when the NEB is next scheduled for hearings. But if we're not receiving the joint review panel report until January or February of next year, we're pretty much to the end of the '08–09 fiscal year.

Why are we scheduling funding for legal counsel for a 12-month period when we may only use them for, at the most, perhaps three or four months? If I could have an answer, please.

Hon. Bob McLeod: In order for the government to most effectively advance its interests, it would be

important for us to maintain continuity in terms of the legal representation and also to continue to engage the external legal counsel that has represented our government at NEB proceedings since the applications were filed in October 2004.

In the interim, and pending receipt of the joint review panel report and recommendations, there are ongoing preparation requirements to ensure that the Government of the Northwest Territories is ready to respond when the joint review panel report is issued.

In addition, as I mentioned earlier, there are interim matters to which parties are required to respond from time to time. I guess the best example is that we need expertise so we can stay on top of the Alaska pipeline progress as well.

Ms. Bisaro: I guess I question whether or not we need outside expert legal counsel. I don't begrudge us using expert legal advice. But do we need to have this person or people — however many they are — on standby, on retainer, whatever it is? I gather the amount of money is \$180,000. It seems to me that the work that's required is not a full year's work.

The other concern that I have is there's \$100,000 earmarked for the socio-economic advisory board. Again, I wonder what that board is going to be doing in the absence of the joint review panel report.

Hon. Bob McLeod: The number for the expert legal counsel is \$120,000. I guess the downside, if we don't do that, is there'll be no certainty whether we'll be able to retain the counsel that has been with us since 2004 working on this particular file.

As far as the \$100,000 for the SEA board, this is an agreement that was negotiated with the proponents of the pipeline. It was money that would be used to start up the board. There are a number of outstanding subagreements that have to be worked on. We want get this in place and up and running before the JRP report is out, because otherwise it'll be difficult to get set up in time for us to start planning in anticipation of the pipeline.

Ms. Bisaro: Thank you for the explanation. It doesn't really satisfy me, I'm afraid.

Two questions. The first is whether or not we couldn't fund the board for half the year to do the preparations that are required. The second one is.... I've lost the second one. Perhaps you could answer that question first.

Hon. Bob McLeod: Under the socio-economic agreement that we negotiated, an advisory board will be established which will receive annual reports

on actions taken to optimize beneficial opportunities and suggest changes to addressing issues. For that alone we think it's important to get set up and get started ahead of the board. We have consulted, and the Gwich'in and Inuvialuit have formally agreed to participate on the advisory board. Discussions are still ongoing with the Sahtu and Deh Cho First Nation. Our next steps would include applying for the establishment of the certification of the advisory board under the NWT Societies Act. It was our expectation that the board would be formally established by the middle of 2008–09. That was the expectation of all the parties to the socio-economic agreement.

Chairman (Mr. Krutko): Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I'd just like to continue on this, if it's all right. The joint review panel report is due out in January or February of '09. My understanding of process is that that report goes to the NEB and a new process starts up, whereby the NEB decides, probably through public consultation, what recommendations will be implemented and so on, and that process will take some time. Is that a correct impression?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: The NEB has held hearings and is in suspension mode until they receive the joint review panel report, at which time they will hold further hearings.

Mr. Bromley: I'll take that as a yes. Obviously, there will be some lead time before any of these things really get up and running.

When does the socio-economic agreement come into force? I realize when you hoped it to — all the parties hoped it would be in force with early approval, but obviously, the schedule has changed quite a bit there. Is there an implementation date with the socio-economic agreement that's hitched to the approval date for the project?

Hon. Bob McLeod: The socio-economic agreement was signed last year by the last government. Our experience is that unless you have a board that's up and running in advance of the pipeline, you're never going to get caught up. There are some significant issues and preparation that you need to do if you want to maximize the benefits from a major project like the Mackenzie Gas Project — things like training plans, trying to organize and help to provide for maximizing the benefits from business. So that's the primary consideration. Also there are some substantial subagreements that have to be negotiated in advance of the pipeline project.

Mr. Bromley: I don't think that really answers the question. I certainly don't disagree with anything the Minister has said there, but I was asking if the establishment and implementation of the socio-economic agreement is formally tied to the approval of the project. I suspect a prudent way to go, typically, would be to have the project approved and so on before putting too many resources into something. Given that this approval is a fairly general term that really means another process that will likely take months, and possibly several months, the initial hurdle might be a good place to start thinking about the implementation of some of these next steps.

So yes, if the Minister could answer that question: is the formal start-up of the socio-economic agreement tied to the approval of the project, any stage of approval, be it the JRP or the NEB, which would be some months, possibly many months, later?

Hon. Bob McLeod: The agreement has certain milestones that take effect at certain instances. A board can be established now that is co-funded with the proponents. Payments are ready to start.

I guess I can go back to some of the experiences of other pipelines — the Norman Wells pipeline, for example. By waiting until the project was approved, the project never got off the ground. There was \$12 million in training that was never spent and returned to the federal government. That's the downside of waiting until the last minute to start planning and preparing for a major project, probably the largest in North America that's going to be happening. To leave the details to the last minute I don't think will benefit anybody.

Mr. Bromley: Thanks for those remarks. Again, I have to agree with the Minister: waiting until the last minute is not a prudent way to go. I'm trying to figure out when the last minute is. Perhaps the Minister and I have different impressions about when that might be.

I have to slide in a small remark. I'm not too sure that we're going to recognize much when this particular SEA is in place.

Hon. Bob McLeod: I guess the member is entitled to his opinion, but we think that the socio-economic agreement provides for training funds on an annual basis. Also, with the sorts of agreements that would be negotiated and the fact that it's cofounded with the proponents, we think there would be some benefit to going forward with the board.

Mr. Bromley: That's all. Thank you.

Chairman (Mr. Krutko): At this time I suggest we take a short break.

The Committee of the Whole took a short recess.

Chairman (Mr. Krutko): I'd like to call the Committee of the Whole back to order. We're on page 10-19, Minerals and Petroleum Resources, Operations Expenditure Summary, \$6.018 million.

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Operations Expenditure Summary: \$6.018 million approved.

Chairman (Mr. Krutko): Moving on to page 10-21, Minerals and Petroleum Resources, Activity Summary, Grants and Contributions, Contributions, \$991,000.

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Grants and Contributions, Contributions: \$991,000 approved.

Chairman (Mr. Krutko): Total Grants and Contributions, \$991,000.

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Grants and Contributions, Total Grants and Contributions: \$991,000, approved.

Chairman (Mr. Krutko): Moving on to page 10-22, Minerals and Petroleum Resources, information item, Active Positions. Mr. Robert McLeod.

Mr. McLeod: Thank you. I just wanted to make a point that I noticed that someone else had a concern with headquarters going up by two positions. You go further down, and Beaufort-Delta loses one position. I think it was an oil and gas specialist or something along those lines.

I just wanted to note that I have serious concern with that. It seems to be a pattern that you're following too much. I think we just passed a motion before, talking about decentralization, and a few pages later we're in a position where we see a couple of positions being added to headquarters and one being taken away from the Beaufort-Delta — the centre of the oil and gas industry, I might add. So I just wanted to make that note, Mr. Chair.

Chairman (Mr. Krutko): We're on page 10-22. Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I seek unanimous consent to go back to 10-21.

Unanimous consent granted.

Chairman (Mr. Krutko): Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I just wanted to note that the Prospectors' Assistance Program

has dropped considerably. I understand there wasn't full uptake, but there is sort of a core uptake of that program and ongoing strong interest from a select but hardy few. I think that if we were to look at it, we'd find that there's actually pretty good economic return from this small core of entrepreneurs.

So I just wanted to mention that I appreciate not completely eliminating this, and I hope that these dollars are not planned for complete elimination, because I suspect this is a very important program. It has played an important role in the past, and continues to, for this small cadre of prospectors. Thank you.

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chairman. I'd like to reassure the Member that it's not our intention to completely eliminate it. We will review it as to uptake and take it into account for the next business planning cycle as well. Thank you, Mr. Chair.

Chairman (Mr. Krutko): We're on page 10-22, Minerals and Petroleum Resources, Active Positions, information item. Any questions?

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Active Positions, information item, approved.

Chairman (Mr. Krutko): Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chairman. I had my hand up for page 10-21. Are we still there?

Chairman (Mr. Krutko): Is the committee agreed to go back to 10-21?

Unanimous consent granted.

Chairman (Mr. Krutko): Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chair, and thank you, committee. My question is: could I get some further explanation as to the reduction of the Diavik Socio-Economic Agreement?

One of the complaints I hear on the street is: are they meeting up to their needs? To some degree I think they are, but my concern is the monitoring efforts of that.

I think it was a bold move last year when we were able to bring in the three diamond mines to have a talk with committee, and I thought that was very useful for information.

But I'm just curious: what will be lost, in the sense of the work being done, if we go from a budgeted item of \$180,000 down to \$76,000? I just want to

first make sure what's being taken off the table and what will continue to be done to make sure that this job is being done properly.

Chairman (Mr. Krutko): Minister Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. We are in discussions with our partners with regard to the operation of the board. We are anticipating there will be some board changes, and we will be moving forward to try to accomplish the same results with fewer resources and fewer meetings.

I should point out that our partners have indicated that they will continue to fund at the same level as in 2008–2009 and provide \$180,000.

Mr. Hawkins: If I understood the Minister correctly, the portion provided by, in this particular case, Diavik is an equal amount of \$180,000, historically.

Hon. Bob McLeod: Historically we've cost-shared on an equal basis, and we're proposing to reduce our contribution.

Mr. Hawkins: Maybe I'll just put it this way, to the keen eye of the Minister, that they keep close watch on this. It just seems like it's strange that we're cutting the fees almost in half — our fees, that is — and it sounds like at least our partners are keeping up their fees.

I would just hate to think that we now have the fox in charge of the henhouse here and we've walked away from our position by not showing interest in this particular case. So I would just want to make sure that the GNWT's end is kept up and reaffirmed.

Hon. Bob McLeod: We will endeavour to do that. The board is independent, and it has communities represented that were identified through the environmental impact process. We will maintain our continued commitment to this board.

Chairman (Mr. Krutko): Next on the list I have Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I'd just like to follow up on my colleague's question there.

The GNWT contribution has dropped by \$104,000 for the Diavik Socio-Economic Agreement. What are we not doing? What's the sacrifice here, given that we're contributing much less than half of what we have been annually, to date?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. Our expectation is that the board would need to either reduce its staff to part-time and/or eliminate

community representatives' meetings, travel and honoraria or limit the number of meetings.

The parties to the SEA — and I said we were still under discussions — could also agree to redesign it so we would have annual or semi-annual meetings between the parties rather than more frequent meetings amongst parties' community representatives.

Mr. Bromley: This is sounding of more concern than I had realized. I believe I heard the Minister say "parties to the agreement." There are discussions underway for basically streamlining here. Honoraria and so on: typically, these are things that go to community representatives and experts in these fields, so I am concerned. I wonder if the communities are supporting this reduction.

Hon. Bob McLeod: We've written to the board advising them of this proposed reduction. Also, we've heard some feedback from Tlicho communities, expressing some concern about the operation of the board, but we haven't had a chance to get a full meeting to discuss these different issues.

Mr. Bromley: Thank you for that. I'm wondering: what was the nature of the concerns of the Tlicho with the board?

Hon. Bob McLeod: The way I understood it and the way it was expressed was that it was felt that representatives should be appointed by the Tlicho communities, and there was some indication that there should be more feedback and communication between the representatives and the communities.

Mr. Bromley: I wonder if we could take a short recess while I draft a motion here. Very short.

Chairman (Mr. Krutko): Okay. We'll take a short break while Mr. Bromley drafts a motion.

The Committee of the Whole took a short recess.

Chairman (Mr. Krutko): I'll call the committee back to order. Mr. Bromley.

COMMITTEE MOTION 42-16(2)
TO REINSTATE \$100,000 IN CONTRIBUTION
FUNDING FOR THE DIAVIK SOCIO-ECONOMIC
AGREEMENT UNDER THE ITI MINERALS
AND RESOURCES ACTIVITY
(COMMITTEE MOTION CARRIED)

Mr. Bromley: I move that this committee strongly recommends that the government take immediate action to reinstate contribution funding in the amount of \$100,000 for the proposed reduction of funding for the Diavik Socio-Economic Agreement under the Department of Industry, Tourism and

Investment under the Minerals and Petroleum Resources Activity.

Chairman (Mr. Krutko): Motion's in order. Motion's being circulated. To the motion, Mr. Bromley.

Mr. Bromley: I have to start by saying it is ironic that we've been discussing a socio-economic agreement that the Minister is anxious to get underway and funded even before the project is started, yet here we are with a project having serious impacts in every community in the North Slave, and we're backing out of it like crazy.

I am the first to agree and to state that this should be a full financial responsibility of industry, particularly when as a government we're not getting the royalty revenues and so on. If we negotiate socio-economic agreements that fail to provide that, then obviously we have to pony up. In this case we have.... We did not negotiate that sort of agreement, so we have to participate. We made a commitment, and here we are backing out of it without the okay of the parties to the agreement, as far as I understand it. Discussions are underway. We have sent a letter suggesting that we're going to back off in support of it, but we certainly haven't, apparently, brought agreement to the table. So on that basis, as a responsible party, if we are going to make commitments for socio-economic agreements where these major impacts fall, we need to come through and fulfill those commitments. On that basis, I make this motion.

Chairman (Mr. Krutko): To the motion?

An Honourable Member: Question.

Chairman (Mr. Krutko): Question has been called.

Motion carried.

Chairman (Mr. Krutko): We are on page 10-21, Minerals and Petroleum Resources, Grants and Contributions, Activity Summary, Contributions, Total Contributions: \$991,000.

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Grants and Contributions, Total Contributions: \$991,000, approved.

Chairman (Mr. Krutko): Total Grants and Contributions: \$991,000. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Total Grants and Contributions: \$991,000, approved.

Chairman (Mr. Krutko): Moving on to page 10-22, information item, Minerals and Petroleum Resources, Active Positions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Active Positions, information item (page 10-22), approved.

Chairman (Mr. Krutko): Page 10-23, information item, Minerals and Petroleum Resources, Active Positions.

Department of Industry, Tourism and Investment, Activity Summary, Minerals and Petroleum Resources, Active Positions, information item (page 10-23), approved.

Chairman (Mr. Krutko): Moving on to 10-25, Energy, Activity Summary, Operations Expenditure Summary: \$5.019 million.

Department of Industry, Tourism and Investment, Activity Summary, Energy, Operations Expenditure Summary: \$5.019 million, approved.

Chairman (Mr. Krutko): Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chairman. I have a question in regard to Commercial Energy Audits. It's a previously approved initiative for \$100,000, but it's an elimination of \$100,000, so I am not sure whether it's out or in or if it was in and now it's out. So if I could get clarification, please.

Chairman (Mr. Krutko): Mr. Vician.

Mr. Vician: Thank you, Mr. Chairman. The intention is to reduce the amount of commercial energy audits from \$100,000 in the '07-08 Revised Mains to zero in the '08-09 Main Estimates.

Ms. Bisaro: So that then means that there won't be any funding available for businesses who wish to do an energy audit. Is that correct?

Mr. Vician: It means under this specific program there would not be funding available; however, the opportunity exists for commercial businesses to seek funding assistance in this area through other programs, particularly the current Business Development Fund and in the future the SEED program.

Chairman (Mr. Krutko): Next on the list I have Mr. Abernethy.

Mr. Abernethy: Thank you, Mr. Chair. Under Grants and Contributions I see that there's \$3 million going to the Taltson River hydroelectric for some feasibility studies and whatnot. Although I agree that the Taltson is clearly an area that we should be looking into expanding and that there's lots of opportunities for it, I am curious exactly

what's being done in respect to the feasibility study and whether or not a decision has already been made as to where power lines may flow from Taltson — whether they're going to be flowing northeast around the east arm of Great Slave Lake up to the diamond mines and stopping dead or whether or not there are still options for consideration for maximizing Taltson.

This could help to actually support the people of the Northwest Territories by possibly extending from Hay River across our fancy new bridge up through Providence, Behchoko and creating some grid systems, maybe gridding over to Yellowknife — creating some grids and therefore creating some redundancy, helping reduce costs of power in our communities. Then following our existing winter road system up to the mines in order to ease construction, given that they'll be along a road rather than just plunked out in the middle of the tundra.

Chairman (Mr. Krutko): The Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chairman. With regard to the \$3 million, the proposed allocations for the different components are as follows: environmental studies or work, \$100,000; engineering, \$300,000; partnership, \$400,000; legal finance, \$800,000; regulatory costs, \$1.4 million.

The Minister's Energy Coordinating Committee has committed to reviewing how the line would be situated. The previous government had determined that it was not feasible to go around the lake, but we have indicated that we are prepared to review those costs. We think that energy costs have changed, and we are prepared to have another look at it to determine whether it's feasible now or not.

Mr. Abernethy: I'm glad to hear that they're open to new possibilities. If it's feasible to go around the east arm of Great Slave Lake, where there are no people and no roads and no infrastructure that exists already, it's going to have to be built using helicopters and stuff. It strikes me that it's probably completely feasible to build it extending from Hay River and, like I said, across our fancy bridge. That would therefore create some real grids in the system — a real grid in Behchoko, a real grid linked into Yellowknife. It strikes me as being a whole lot easier to build something where we already have some roads and some winter or seasonal roads.

You've already talked about engineering, and you've already talked about regulatory costs. That suggests to me that you've got to be engineering something in that there are some regulatory processes you're going through, which then suggests to me that you might have already picked your location. Can you confirm for me that you have

not, in fact, committed to a direction for this power line to go based on the expansion of Taltson?

Hon. Bob McLeod: The proposed Taltson expansion, as the Member knows, builds on the existing dam and would add an additional spillway. There is a proposal that has been submitted and is being reviewed, but we are prepared to look at a different route.

Mr. Abernethy: That is very good news. I was wondering if I can get the Minister to commit to working with the Regular MLAs, who have, obviously, a lot of fantastic ideas that may assist you in selecting the route that's in the best interests of people of the Northwest Territories. Can I get the Minister to commit to working with the MLAs on this project and allow our input to be considered with an open mind?

Hon. Bob McLeod: We're very eager to work closely with the committee on this. We have made briefings in the past and will commit to doing additional briefings. My colleague the Minister responsible for the Power Corporation has indicated that they will dig out the cost estimates that were used the last time. We would look at having a discussion with the Deze Energy Corporation as well.

Chairman (Mr. Krutko): We're on page 10-25. Mr. Abernethy.

Mr. Abernethy: Just for final clarification, and I think you've said it, but I'd like to hear it clearly: has a route been selected? Yes or no?

Hon. Bob McLeod: The current proposal that has gone forward for environmental assessment does have a route that's been outlined. A final route has not been determined or finalized as of yet.

Mr. Abernethy: Compare this to the bridge for a second. Are you going to come to us and tell us later, when we ask for input, that it's a done deal, your route is selected and our input is not going to be considered? Or is there an opportunity to get out of this route that you guys have put forward in favour of a route that is in the best interest of the people of the Northwest Territories?

Hon. Bob McLeod: I guess I'll hedge my bets. The current proposal, as indicated, has entered the environmental assessment phase of the regulatory approach. I'll go back and reconfirm that as another environmental assessment it's not a route that's cast in stone and that there is opportunity to look at alternatives. Just to be exactly sure, I'll go back and confirm that.

Mr. Abernethy: Just one last question, and then I'll leave this topic. Can you please confirm for me

what the proposed route is that has been put forward for environmental review?

Hon. Bob McLeod: There is a proposal for 690 kilometres of new transmission line. I don't have the map in front of me, but it's the transmission line from the Taltson Dam to the mines, and it sort of takes a jog to the left of Lutselk'e. I believe it goes across the east arm and up to the diamond mines.

Mr. Abernethy: So just for clarification, it goes north from Taltson, around the northeast arm of the Great Slave Lake near Artillery Lake and then back northwest towards the diamond mines north of Yellowknife.

Hon. Bob McLeod: Mr. Chair, I'd like to ask my colleague the Minister responsible for NTPC to clarify the proposed route.

Chairman (Mr. Krutko): The Minister responsible for the Power Corp, Mr. Yakeleya.

Hon. Norman Yakeleya: Thank you, Mr. Chair. As the Minister indicated, the 690 kilometres of new transmission line goes up on the east side of the lake all the way up to Lutselk'e, up to Fort Reliance and back in northwest up to the three diamond mines.

Mr. Abernethy: I know I said the last one was going to be my last one, but this is going to be my last one, I promise. A lot of faith is being put into the idea that the diamond mines in fact want these power lines and have an interest in the power that we're going to provide. Has this government had conversations with the diamond mines? Have the diamond mines confirmed that they are in fact interested in purchasing power from us?

Hon. Norman Yakeleya: The Deze Energy Corporation, made up of a NWT Power Corp subsidiary and the Akaitcho Territory and Métis Energy, has formed this corporation. They have had early discussions with the diamond mines. I understand they are in negotiations. They are negotiating the agreement. They are concluding some of their negotiations with the diamond mines. They are the ones that have been in discussions with the Deze Energy Corporation in terms of a business deal to supply these diamond mines with hydro power.

Chairman (Mr. Krutko): Next on my list I have Mr. Hawkins and Mrs. Groenewegen. Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chairman. I'm curious as to the accountability framework that will exist for the Taltson hydro electricity: the partnership they'd have with the Deze group and whatnot. What type of framework will there be going forward so that it can be accountable to this Assembly?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chairman. The Deze Energy Corporation is a business arm of the NWT Energy Corporation, which is a subsidiary of the Northwest Territories Power Corporation. The Deze Energy Corporation is an equal one-third partnership between the Akaitcho Energy Corporation, the Métis Energy Company and the Northwest Territories Energy Corporation.

Mr. Hawkins: What type of accountability does the reporting mechanism of the Deze, then on to the NWT Hydro Corp...? What type of accountability framework does it have to the Assembly?

Hon. Bob McLeod: The Deze Energy Corporation is an independent company in which the NWT Energy Corporation has a one-third share. It reports through the Northwest Territories Hydro Corporation.

Mr. Hawkins: I thank the Minister for that. Who does the NWT Hydro Corporation report to?

Hon. Bob McLeod: The Northwest Territories Hydro Corporation reports to the Minister responsible, who is my colleague the Hon. Norm Yakeleya.

Mr. Hawkins: I just want to be cautious. I do support the principles of the Taltson hydro project. I support a framework that creates a grid system throughout the North. I'd certainly be in favour of an expansion that links more communities, but I'm cautiously optimistic about this project that will be bringing an opportunity to the North. The one thing that does scare me about this, which is my next question: what capacity will this bring the Taltson project up to in megawatts, and what is the projected amount of demand required by the new customers that we're negotiating with?

Hon. Bob McLeod: The Taltson hydro project is a proposed 36-megawatt hydroelectric expansion of the 18-megawatt Twin Gorges plant on the Taltson River. The total power available for sale would be in the neighbourhood of 45 megawatts, which would include current surplus power from Taltson of eight to ten megawatts.

Mr. Hawkins: I appreciate that detail. That said, what is the expected demand or requirement that will be sold to the diamond mine companies that are asking for this project to be built?

Hon. Bob McLeod: Through power purchase agreements yet to be negotiated and finalized, it's our expectation that the whole amount of the 45 megawatts would be purchased, less the surplus.

Mr. Hawkins: You know, maybe my math isn't up to par, but if they're purchasing the 45 megawatts

and that's the amount that's being devoted for this expansion to accommodate the needs, what would be described as the surplus?

Hon. Bob McLeod: I guess the way we look at it, Mr. Chair, is any possible expansion would be surplus. Depending on where the route of the transmission line goes, it would impact on the surplus. As we described in a briefing to committee, this is something that we'll update the committee on as we get more information on the progress of the negotiations.

Mr. Hawkins: Certainly, again, I reaffirm my support of the principles of the project, and that has not changed in any way. But I find it odd that we're expanding the Taltson project specifically to meet the demands only of the diamond companies, which means we're building an expansion of the hydro facility just for them, without any potential of surplus power.

Have I understood that correctly, that there will be nothing really left over for any potential, you know, northern residences or businesses of that nature? I remember not that long ago that you were having trouble with a company in the Pine Point region trying to hook up to the spillover megawatts that were falling and being left.

Are we going to impede future development of that region because either the dam has been made too small or the fact is we've given away all power potential that could be drawn out of this?

Hon. Bob McLeod: The way I see it is that the amount of surplus power remains to be seen, depending on our negotiations with the diamond mines. For the potential expansion, as I recall, there is the additional diamond mine at Gahcho Kué. A diamond mine would be required to be on stream to make it feasible. The original thinking was that at some point the line would have to be extended to go to a populated area.

Mr. Hawkins: When the Minister mentions potential expansion, I have to admit I'm getting a little confused. I just want to make sure that we're still just talking about the one project, or is he alluding to a potential further expansion?

Hon. Bob McLeod: It does have potential for further expansion, but we're proposing to consider the provision of electricity or power to the diamond mines. That's what has been put forward for environmental assessment.

Mr. Hawkins: Mr. Chairman, that'll be all for now, but I just want to say for the record that I do recognize that this eventually does become legacy infrastructure.

I hope the Minister and his staff and everyone else who's listening recognizes that there still seems to be a lot of unknowns behind this project. The fact is that the day that these diamond mine companies close, which will come, that power will be available then.

The only fear I see here at this stage, and I'd like to think I recognized this early on.... When you see the power route go by, it goes by every sort of real populated community without building synergy. I would certainly hope that there'd at least be some investment into the thinking of linking it to other communities.

If it's going to run by or close to places like Yellowknife, I'd certainly like to see that as part of the thinking over the long haul. When we start doing that, we can continue to expand to all our small communities on a grid. I think that will be the precipice of creating a one-rate zone throughout the Northwest Territories. As I seem to recall, they often shot down the one-rate theory because of uncommon rates based on the fact that you pay for what it costs in your region. I think this could be the avenue to look at sort of a smarter power grid throughout the North. I'd hate to think that opportunity would be lost, Mr. Chair, in that people aren't thinking far enough down the road.

If I remember correctly, there was an amount in the range of \$30 million to connect Yellowknife to the larger grid. I think the synergy, just in that alone, would start powering 60 or 70 per cent of our population. I think it would help everyone at large.

Mr. Chair, my time's up, and I'll leave it at that last comment. Thank you.

Chairman (Mr. Krutko): Next on the list I have Mrs. Groenewegen, Mr. Robert McLeod and Ms. Bisaro. Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. Okay. So you have an environmental assessment underway currently to take power from a proposed Taltson expansion to the diamond mines via the east arm, basically around the eastern way. Was a proposal considered to bring power the other way, as laid out by Mr. Abernethy? The Minister has said that there's a 690-kilometre transmission line to go the route that is proposed, but there's not much between Taltson and the diamond mines to pick up in terms of any additional communities or anything.

Mr. Hawkins talked about a legacy project. Well, there's an experience they had in the Yukon where they built a power transmission line to a mine in Faro, and it shut down. Then you have what you call stranded assets. A big cost in this whole idea is the construction of the transmission lines. It's fine to talk about linking up a whole bunch of small

communities, but at some point it becomes cost prohibitive to run a power transmission line into Colville Lake. Okay; I'm using an extreme example, but this thing has to make economic sense. Was a different route of the transmission line contemplated that could have come to the west, up through Yellowknife and then up to the diamond mines along an actual roadway and seasonal road, as Mr. Abernethy asked?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Mr. Chair, the Minister responsible for the Power Corporation seems eager to jump in here.

Chairman (Mr. Krutko): The Minister for the Power Corp, Mr. Yakeleya.

Hon. Norman Yakeleya: Thank you, Mr. Chair. I hope one day we can put a hydro line into Colville Lake. For the Taltson hydro expansion there were a number of routes outlined in 2002 and 2003. Some of the routes were ruled out either for technical reasons or project financial viability. These were being studied.

The Taltson proponents, the Deze Energy Corporation, received the terms of reference for a development assessment report. This report was on the potential impact and what can be done about it. They'll also be doing some research this summer. This report should be out by this fall for comments. So they are doing some of the work, and they are looking at some of the issues that the Members here are talking about specific to this project.

Mrs. Groenewegen: So there were other routes contemplated, and it was determined that the 690-kilometre route around the lake from Taltson to the diamond mines was the most feasible route to take. That I can understand, Mr. Chairman. What I can't understand is Mr. McLeod telling us that even though this proposed route and this project have gone to environmental assessment, we could change the route with little impact. To me, you would be starting off from square one again if you then change the route to some completely different direction.

The environmental issues that you would encounter and that you would deal with and assess would be completely different than the route that's being proposed. So I'd like to ask Minister McLeod, then, if his offering to Members of the Assembly who have asked to have input at some time wouldn't have been just a little overly generous to suggest that we could change the routing later.

Hon. Bob McLeod: I don't recall putting my words exactly in that order. What I said was that the Ministerial Energy Coordinating Committee had

committed that we would review the costing of the alternative route and that although the project had gone for environmental assessment, it did not preclude having discussions about a different route. I don't think a route has been finalized as of yet. I believe that's the way I explained it, Mr. Chair.

Mrs. Groenewegen: The Minister said that the route as proposed is not cast in concrete. Now, I don't have the advantage of Hansard, but he used those exact words. I find that hard to believe.

This time that we're spending here talking about the route of this transmission line.... If it's already gone to environmental assessment — that's already been determined to be the most feasible route to take this — then could we just say that that is the route and other routes, without going back to the drawing board, would be completely unlikely?

Hon. Bob McLeod: The project has been put forward by the Deze Energy Corporation and is undergoing environment assessment. As the Minister responsible for the Power Corporation has indicated, the review was done in previous years, and we committed to go back and look at those numbers.

Mrs. Groenewegen: The contribution to the NWT Energy Corporation to complete a feasibility study and environmental base line work: does the feasibility study include looking at options for a route to transmit hydro from the Taltson to the diamond mines?

Hon. Bob McLeod: The figure of \$3 million does not include a feasibility study to look at alternative routes.

Chairman (Mr. Krutko): I'll allow the Premier to elaborate on this.

Hon. Floyd Roland: Mr. Chairman, the process we're under, as Minister Yakeleya touched base on, was initially started a number of years back with this partnership coming up to look at expansion of Taltson Hydro.

This is a combination of actual expansion of the facility itself as well as the transmission line. There were a number of avenues looked at. But the business case they've presented through this new partnership is the most cost-effective way. The process is to see them establish this and finance it through sale of power to the mines. As a government, as we talk about our hydro strategy, if we want to become directly involved in this.... There was discussion. Yes, there could be an alternative route established, but we would have to enter the fray and come up with dollars to help make that happen.

The company itself is putting forward a plan based on their business case to their customer, that being the mines right now. As we heard, they're still to negotiate those deals. It's a business case they're putting forward. There are still decisions — key decisions — to be made as to the involvement of the Government of the Northwest Territories beyond some contribution funding to help them put their full package together.

If we want to enter in to the idea — and I know some Members have discussed this — of looking at another route to hook up communities, then we would, as the Government of the Northwest Territories, have to look at our involvement. How we would finance our piece of it, I guess, is what it would come down to. As the Minister's stated earlier, I believe they're ready, hopefully this fall, to be able to come back to Members with a better plan, a report, to look at those options, and we could get into more detail.

Right now this is to help get to the next stage, to look at it. My understanding — and we'd have to get this corrected if I'm off base here — is that this money would be recouped if the project were to actually proceed and would be put into the capital cost of the facility. I'd have to confirm if that's the case. Maybe the Minister of ITI can confirm that.

Chairman (Mr. Abernethy): Thank you, Mr. Premier. Before we go to the Minister, we'll go back to Mrs. Groenewegen.

Mrs. Groenewegen: Thank you. I'll just have a few seconds here. It's interesting that we could recoup these costs. If we're putting in \$3 million as the GNWT, then it begs the question: what's in it for us? And if this is just about hydro expansion to create enough of a business case to transmit hydro to the diamond mines, I suppose there'd be a reduction, a serious reduction, in greenhouse gas emissions, which would be a positive thing. But apart from that, if we are creating a capacity that is going to be totally consumed by the diamond mines, then I would have to see what the benefits are. I've used up all my time now, Mr. Chairman, but that's the question: what's in it for us?

Chairman (Abernethy): Thank you, Mrs. Groenewegen. Minister McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. I'd just like to confirm that if the Taltson project proceeds, previous investments will be capitalized, and the GNWT could see these investments returned.

We're still in early days with the Taltson Hydro Expansion Project. The environmental assessment process would effectively take 12 to 18 months. What we're talking about is a power legacy that would last for up to a hundred years. It would be

developed in partnership with the Métis and the Akaitcho. The diamond mines would have a limited life, so the expectation would be that there would have to be a further extension of the lines at some point after the life of the diamond mines has expired.

Chairman (Abernethy): Thank you, Minister McLeod. Mr. Robert McLeod.

Mr. McLeod: Thank you, Mr. Chair. My colleague Mrs. Groenewegen said something that I was thinking about while I was listening to all the discussions on the power — what's in it for us?

Being from the northern part of the Northwest Territories, I heard lots of comments about the southern part of the Northwest Territories and what benefit it might have to them. My question, again, is: what's in it for the northern part of the Northwest Territories other than a Taltson Hydro rider that's probably going to show up on our power bills? We have every other rider that's there. We've got 20 to 25 per cent of the population from the Sahtu. I see the figure \$3 million here. There are obviously a lot of people up there paying taxes that are going toward expansion of Taltson Hydro to serve the mines. It just doesn't make sense.

We need to know that there's an opportunity here for this grid to go farther north. We talk about cost all the time — how much it's going to cost to do this, how much it's going to cost for that. At the end of the day you've got all the northern communities paying top penny for their power — \$0.56 alone in Inuvik, compared to.... I'm not quite sure what they pay down here. Nothing close to that. Colville Lake's got the highest, I think, in the Northwest Territories.

We start talking legacy projects here and supplying power to the mines and actually going around the route I've heard a couple of my colleagues talking about, where it's going to miss some of the other communities if they choose to go a route along the other side of the lake. I sit here and I listen to this. If I had the stomach, I'd make a motion to delete \$3 million.

It's just so frustrating to sit here and listen to all this discussion. I think there was some talk a few years ago of Bear Rivers hydro serving the northern part of the Northwest Territories. I'd like to know where that's at. I just can't express my frustration from listening to all this talk down here about spending \$3 million of taxpayers' money. We've got businesses, individuals up in Inuvik, the northern part of the Territories, paying through the teeth for their power. Yet we can drop 3 million bucks just like that to supply power to the mines — and going the opposite direction while we're doing it.

Mr. Chair, I didn't have any questions there. I just needed to vent a bit. It's 7:20; I've been sitting here all day and listening to all the discussion going on about this. When are we going to stop making decisions like this? I can see a Taltson rider on the bills up in Inuvik and the Beaufort-Delta. I can see it. We have riders for everything else, and this is just something that I really have an issue with. If there's anything we can do....

We talk cost again in supplying or running grids up to the northern part of the Northwest Territories. It's possible. I just wanted to express my frustration, Mr. Chairman, at dropping \$3 million to supply power to the mines, which don't even take a lot of people from the northern part of the Northwest Territories anyway. I can maybe try and justify this if we had a couple of people working up at the mines. There might be a couple. I think I know two of them. I think that's the only two. They bring more people in from the east coast than they do from a couple hundred kilometres away, even though people do want to work.

I'm really starting to go off on a rabbit trail here. I better stop.

Hon. Bob McLeod: I just want to reassure the Member that the way the Taltson Hydro Expansion has been structured, it's outside the regulated system. There would be no riders for the expansion included in any bills for power.

Our expectation is that it will not affect the power rates. Once the studies are concluded and the project proceeds, the expectation is that it will generate revenues for the corporations involved and the Government of the Northwest Territories as well.

Certainly we agree with the need to review power rates. We have started planning for a review. There will be other projects that will be identified as we develop the hydro strategy and continue with our electricity review.

Mr. McLeod: Maybe I did have one question. I'll just ask it. I'd like to ask the Minister what the immediate benefits are for the northern part of the Northwest Territories. What's the immediate benefit to them?

Hon. Bob McLeod: I guess we see that the public would benefit. Hydro electricity is clean energy. It reduces greenhouse gas emissions. At some point we expect it will provide cheaper power to some people in the Northwest Territories. It will provide a power legacy, and it will be a partnership with aboriginal governments here in the Northwest Territories.

Chairman (Mr. Abernethy): Thank you, Minister McLeod. We'll go to Premier Floyd Roland.

Hon. Floyd Roland: Thank you, Mr. Chairman. I know that this one piece draws attention to the one project. As stated, if it were to proceed — because there are some huge hurdles yet this project needs to go over — this money would be capitalized. Otherwise, we've already, for example, looked at it. We felt as the Government of the Northwest Territories that we needed to do some serious work in either hydro expansion, biomass expansion or wind energy. So we're starting to go down that. There are a whole number of initiatives we need to look at as the Government of the Northwest Territories to reduce the cost of living in the Northwest Territories.

For example, right now there's been a request for us to be involved, in a sense, through the Power Corporation. If it were to go ahead, it would be a business deal that would see the Power Corporation's share retain earnings from the sale of power. This would then, overall, help the Northwest Territories, so we would get fewer of those rate riders in our communities farther north. Bigger than that is the fact that if we got involved and said, "Let's try to go around the lake" — which is something I believe is worth another look at — we would then, as the Government of the Northwest Territories, have to come up with the public money to make that section go. If that's the case, then I would see where the Member's concern comes from. That project would then only help those communities that would be hooked up.

I think we can go back to the original Taltson project. The original Taltson project was built by the mining company out in Pine Point. It supplied them. It wasn't until that mine shut down that that power was then hooked up to the other communities in the South Slave part of the territory. This could go down that route as well. Right now it is a business case to supply power to a mine to make earnings happen for the Power Corporation. As the Government of the Northwest Territories, if we want to expand that, we could, but then we would become directly involved in the sense of trying to offset those costs for going around another route. I think it's worth having that discussion.

But on the bigger picture, as the Government of the Northwest Territories, we're looking at a whole number of factors here that are going to require investment by the Government of the Northwest Territories. We have to look at how far we can take biomass into our communities — talking about the power rate structures right now. Technology is coming into play that could see us convert some of our diesel generators into a much cleaner burning fuel system as well as lowering the cost of power in our communities.

I would ask the Minister, when we do this and that report comes out, to actually look at the costs we

would have to become a player if were to hook up communities and go up and down the valley. The Bear Rivers project was one tied with the pipeline. We were hoping the last government would tie that together and supply communities to the north. Sahdae Energy out of the Sahtu is still somewhat actively involved in looking at that development. So there's still potential there.

This piece is the start of where we can go as the Government of the Northwest Territories. I would say that we'd be prepared as a government when we look at the biomass piece and the wind energy piece.... We're going to have to put more money than we announced in the budget into some of the tests for wind energy. We're going to have to step up to the plate fairly large, and we'll be coming back to Members during the business plan process to further identify those.

We're going to have to expand the way we go. I agree with the Member; we can't afford to keep paying these higher rates. But it is a fact that we have to look at some of these options to go forward and see if, in fact, they are viable options for us.

Chairman (Mr. Abernethy): Thank you, Mr. Premier. Mr. McLeod.

Mr. McLeod: Thank you. I was watching the clock. What I heard from both responses is that.... It didn't seem like there was going to be any immediate benefits to the people of the northern part of the Northwest Territories. I think a question I could probably ask out of all of this, and I think the Premier touched on it.... When we talk about the cost of living and all that.... I suppose if you ran it around the route my colleagues were mentioning, then some of our costs of living farther north may go down. You never know. There are people who get stuff out of some of the communities down here. I'm just firing that out there. They may not.

What I think I would ask, though, is if this project were to go ahead and it has all the benefits we've been hearing about, could the people of the Beaufort-Delta and the Sahtu expect their power bills and their rates to go down?

Hon. Bob McLeod: That would be our expectation. We are undertaking an electricity review. I guess until such time as we do this additional work and these additional studies and we negotiate these power purchase agreements.... At that time we'd have a much better idea of the impact it would have with regard to power.

Chairman (Mr. Abernethy): Thank you, Minister McLeod. Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I have some questions as well on this particular project. My

questions have been somewhat answered already. I will try not to go over the same ground again. I want to state for the record that I firmly believe we need to take the western route around the lake or across the lake. It definitely needs to be looked at, in terms of its feasibility. I don't see much sense in providing power to the mines for 15, 20 years and then having a hydro line going nowhere. My colleague to my right advises me that this power line isn't even going to go to Lutselk'e. It's going to pass somewhere to the south of it, and that seems pretty ridiculous. So I certainly agree that this route, the western route, needs to be looked at, and I'm happy to hear that it will be.

The environmental assessment is currently being done based on the route to the east, and should we decide that it's the route to the west that we would want to go with, would the environmental assessment continue on the east, or can it be stopped midway and then change the route and go west?

Chairman (Mr. Abernethy): Thank you, Ms. Bisaro. Minister McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. Just a couple of points. The power-sharing agreement with the diamond mines, when and if negotiated, would go a long way to offsetting the costs of building the Taltson hydro expansion.

The reason Lutselk'e was not included is because the Lutselk'e band government has other arrangements in place with other operators that, if I recall, precluded them from getting involved even if they wanted to.

I forget the last part of the question.

Interjection.

Hon. Bob McLeod: Oh, yeah. Sorry, Mr. Chair. Deze is the business case proponent. As the Premier mentioned, if we were to get them to change, depending on the feasibility of going the other route, I'm sure that if it's cheaper and saves money, they would probably embrace it. If it's going to cost more money and is something that the government would see as being in the public interest, then we would make alternative arrangements, as has been suggested.

Ms. Bisaro: To my question about the environmental assessment, if it's currently underway for an eastern route and the decision is made to change the project and go the western route, does the environmental assessment continue on the east to its conclusion, or can it be stopped midway and then started again on the other route?

Hon. Bob McLeod: My expectation is that would be dependent on Deze Energy. If we were to make

a business case proposal that would be in their best interests, I'm sure they would want to see the environmental impacts they can change and have the assessment address it.

Ms. Bisaro: One more question, and I have to say it up front. I find this relationship of the Deze Energy Corporation to GNWT to be very convoluted. We're many times removed. However, the government is contributing \$3 million to the NWT Energy Corporation, which is passing it down the line, and eventually it's getting to Deze Corporation, of which, I gather, we are going to be a one-third partner or owner. So my question. The other two partners, who I assume are also one-third each: how much money are they putting into this project at this point? Is it matching dollars?

Hon. Bob McLeod: My understanding is that they're not providing matching dollars at this point. But we would have to get more detail and provide the Member with that information.

Ms. Bisaro: I think that's the answer I expected, but it doesn't really please me. I understand that we may get some capitalization out of this \$3 million somewhere down the road, but it's also quite likely that this is money down the toilet.

Is there an expectation, as this project goes forward, that Deze Energy will be cost-shared three ways evenly?

Hon. Bob McLeod: The proposal is that it would be debt-financed. We indicated that the previous investments of the government would be capitalized, and the expectation is that the GNWT will see their investments returned

Chairman (Mr. Abernethy): Thank you, Minister McLeod. Ms. Bisaro?

Ms. Bisaro: No, thanks.

Chairman (Mr. Abernethy): Thank you, Ms. Bisaro. Mr. Krutko.

Mr. Krutko: This is like déjà vu all over again. I think one thing you have to do is turn to page 2-27 and realize that the government has expended \$2 million already in regard to the environmental assessment review, collecting data. The \$3 million is now taking us into an environmental process in regard to that process. So we've already made a capital investment.

But I also have to point out that a large portion of the money that's listed there came from the federal government through federal green initiatives. Also, there was legislation passed in this Legislature prior to the end of the 15th Assembly, in which legislation was developed — the Hydro Corporation Act — which formulated the corporation specifically for this

project, in which it will receive certain types of exemptions. It is exempt from the PUB process, and also, it's a business deal between the mining companies to sign on to a power purchase agreement and Deze Energy.

I think one thing people have to realize — and I found it kind of alarming to hear — is that the government is now looking at rerouting. I know we looked at the feasibility of that proposition, to look at the second phase of an expansion in regard to the Snare Cascades system, eventually running power to places like Fort Providence and other places. This work has already been done.

I know we looked at the amount of money to run a line from Behchoko all the way down to Providence and vice versa, to go from Hay River to Providence. You're looking at somewhere in excess of a \$70 million investment.

I think that at the end of the day you have to realize that until we have an energy plan of some sort to really identify where we're going — I know Mr. McLeod touched on the issue of where we're going with the diesel communities — what's the benefit to the Northwest Territories?

I think also, at the end of it all, what happens after 20 years of mining development in the diamond mines? There is a lifetime for these diamond mines, and they will run out. So you had to design this in such a way that you were able to move the line to where it's probably going to be used in the next ten or 15 years, and the most ideal place was going directly to Yellowknife. You're already in that grid. It's a matter of running from the diamond mine back around to Yellowknife or tie into the southern grid.

I think that from what I hear here, a lot of that information is out there. It's just a matter of having it tabled in this Legislature for people to see. The history is there; the process is there.

We've already made a major investment of \$2 million, and what's here in front of us, \$3 million, so it's going to be a \$5 million investment on this specific project, which is a business deal between the Power Corporation, Deze Energy, and the mining companies. It's a business deal. I think I'd just like to point out that we've made all these investments, so to hear now that you're going to talk about rerouting....

I think the other thing you have to realize is that as soon as you reroute that route, you're crossing other people's traditional territories, and they will want buy-in. You're talking about the Deh Cho; you're talking about the Tlicho communities, if you're going around the other route. I mean, again, you're trying to bring out something that at the end of the day.... It's the cost of going back and starting

over. I think you're basically going to delay this project to a point where right now it's questionable if it's economically viable.

Basically, BHP only has maybe five or eight years of life left in that mine. Once they're off the grid, the economics of this project is questionable.

So I've been sitting here, hearing what's been discussed here. I mean, legislation has been passed in this Legislative Assembly to take on this project. We've got federal money — basically, the majority of this money is federal money — to fund this project. They did look at the possibility of rerouting this thing, and the economics of rerouting are just not there. It's not a viable project if you reroute the route from the Taltson phase 2 expansion to the other area.

I'm not too sure if I can explain it a little better than that, but I think someone is either misleading the process by way of saying, "Let's do something else," or telling the mining industry, "Well, sorry; we're renegeing on our commitment to you." My view is that this is a business deal, and you either change the rules or let us know now. From what I'm hearing, the practicality is not there.

Since I'm on a roll, I might as well also mention the number that you mentioned, the 45 megawatts. I believe you're only talking 35 megawatts, because there's a ten megawatt surplus in the Taltson system right now, and that's what's being used for the projects in Fort Smith by way of electric heat processes. Those ten megawatts are owned and controlled by the Northwest Territories Power Corporation, to decide at the end of the day if they're going to sell it to the companies or keep it for the communities. I don't know if you'll want to respond to that or not.

Chairman (Mr. Abernethy): Thank you, Mr. Krutko. Minister McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. I couldn't have said it better myself, and I'm glad that the Member was able to clarify the issues very succinctly.

I would just add to that that we have committed to go back and review the financial information with the standing committee members.

Chairman (Mr. Abernethy): Thank you, Minister McLeod. Mrs. Groenewegen.

Mrs. Groenewegen: Thank you. Well, I feel like we've just been on a big chase around the mulberry bush here, because this all started when the issue of the routing came up. We were told that even though this had gone to environmental assessment, in fact the routing could be reconsidered. There are

a lot of implications in that, and I guess it's not probably likely.

But to the issue of the money that we're putting into this — if this is good deal.... You know, I'm having déjà vu on the Deh Cho Bridge here. I'll tell you why. We have to put money into something in order to see a project get off the ground. We've got "investors" — I say that in quotation marks — coming to the table probably, really, with nothing, except that they have control over the lands that this project is going to go over. We once again are taking all the risk. We're taking all the risk to try and facilitate a deal to get economic and cleaner energy to diamond mines which have an undetermined lifespan.

There are a lot of things happening in the global economy right now. We don't know how long diamonds are going to be in big demand. The forecasts are predicting that 100 million people on this planet are going to be starving soon. I don't know what kinds of global pressures could come to bear or could affect markets for diamonds. But I just have this sixth sense that we are once again footing the bill, holding the bag, taking all the risk, and a project may or may not go ahead.

We don't have any way to recover our costs if this project doesn't go ahead at all. We're putting all the investment money on the table. You know, we say, "If it goes ahead, we could recover the costs. If the diamond mines.... If we can negotiate a good deal with them...."

Like I said, I'm just having a moment here thinking about how we went down the path to the Deh Cho Bridge and all the risks that we took on that and still are taking on that.

So I have a question: if the cost to build the transmission line to the mines is undertaken — I mean, if those costs are expended — and something happens to the market, i.e. the diamond mines, who is left holding the bag, the risk, for the 690-kilometre transmission line to nowhere if there's no diamond mine at the end of it?

Anyway, we have lots of other things to talk about here tonight, Mr. Chairman, so I don't want to belabour this any longer. I don't think this is maybe even the right forum to have this kind of in-depth debate about this project, but I just wanted to comment that I think there's a lot of information that we're not able to delve into here tonight, and I have serious concerns and questions. Thank you.

Chairman (Mr. Abernethy): Thank you, Mrs. Groenewegen. I didn't hear a question. Minister McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. I just want to make the point that we're getting into the

whole area of risk, and these are parts of the elements of what would be negotiated through the power purchase agreements with the diamond companies.

Chairman (Mr. Abernethy): Thank you, Minister McLeod. Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I know this is a discussion that we should be having, I guess, at committee, and we should be getting a briefing on the Taltson River hydro expansion as soon as possible.

I guess I'd start off by asking the Minister: where in the works is the long-range hydro strategy for the Northwest Territories?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. That project is being proposed and is proposed in the Main Estimates.

Mr. Ramsay: I think having a vision for the future and long-range planning, when it comes to hydro, would help us out tremendously. I'm a supporter of the Taltson expansion, but I'm also interested in how it is that the government is going to add a social component to this.

I believe it's possible to add a social component. I believe communities in close proximity to that line, especially south of the lake, should see their power rates go down. This project should be completely cost-neutral to the public purse if it's such a good business idea.

We've all lived through the Deh Cho Bridge. I've said it before and I'll say it again. History will prove that was a bad deal for the Government of the Northwest Territories, and I don't want the government to make another mistake with the Taltson River hydro project.

There's an example of it in the Yukon. You just have to ask any Yukoner. They're paying a rider of 15 per cent for that line that runs into the former Cyprus Anvil mine. They'll be paying that for two generations in the Yukon, and they're not too happy about it.

We need to come up with a ways and a means that we're going to get as much out of this transmission line as we possibly can. Again, I'm not sure if we're doing that.

Who is on the hook at the end of the day? It's not going to be Deze Energy. It's not going to be the Métis. It's going to be the ratepayers across the Northwest Territories, the paying public. That's

who's going to be on the hook for the project. We just have to try to protect the public when we can.

I'm not saying that we shouldn't get into joint ventures and we shouldn't be pursuing things like this. Like I said, I support the Taltson Hydro Expansion, but we need to always keep in mind that social component and try to get as much benefit as possible, not just for industry but for the public we serve. If we don't do that, I think we're doing a disservice to the public.

Those are the only comments. I agree with most of what my colleagues have said over here, and it's a discussion that I look forward to having with the band of three Ministers at some point in time, Mr. Chairman. Thank you.

Chairman (Mr. Krutko): No comment? Next on the list I have Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. Yeah, I'm belabouring it too, for a bit.

Clearly, there is an unconscionable amount of greenhouse gas emissions from the mines for which we lapsed our responsibility on doing environmental assessment and allowed it to proceed. We have a responsibility to do something about it.

I support this project. I am interested in discussion of the routing and where the costs and benefits lie. I think that's been well expressed on this side of the House. We'd enjoy the opportunity to learn more and contribute, and we all have our biases.

The fact of the matter is we do have a narrow window of opportunity when the diamond mines will be interested, beyond which it's not economic for them. So we have to march to that drum.

The cost of the highway route — if I can call it the western route versus the eastern route, standardize our terminology here.... Mr. Krutko raised some real issues. Personally, I can't understand the higher costs of the western route, where we clearly have access with our highway infrastructures, versus the eastern route, where there's no infrastructure for access, and costs should be much, much, much greater. But Mr. Krutko has raised the possibility that they are costs associated with crossing land owned by others. If that's the case, we need to know about that and we need to weigh those costs and see if there is a role for the territorial government to participate, as the Premier has mentioned.

I'll leave it at that. I think we do need to go forward with this project somehow. To me, this investment of \$5 million, I think we could recoup that easily along the west side where we have highway access, if there are not these other hidden costs.

But something has said that the western route is more expensive, and that's what we need to flesh out and learn about to get us all sort of started on the same page, anyway. So I guess just to throw in a question: will the Minister commit to helping us fill in those details?

Hon. Bob McLeod: The Ministerial Energy Coordinating Committee has committed to doing exactly that, and we'll look for a briefing with the committee as soon as possible. Thank you, Mr. Chair.

Chairman (Mr. Krutko): We're on page 10-25, Operations Expenditure Summary, Energy, Activity Summary: \$5.019 million.

Department of Industry, Tourism and Investment, Activity Summary, Energy, Operations Expenditure Summary: \$5.019 million, approved.

Chairman (Mr. Krutko): Moving on to 10-27, Grants and Contributions, information item, Contributions: \$4.490 million.

Department of Industry, Tourism and Investment, Activity Summary, Energy, Grants and Contributions, information item, Contributions: \$4.490 million approved.

Chairman (Mr. Krutko): Information item, Energy, Active Positions, page 10-28.

Department of Industry, Tourism and Investment, Activity Summary, Energy, Active Positions, information item (page 10-28), approved.

Chairman (Mr. Krutko): Information item. Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I just wanted to ask the Minister a question on this page, and that is talking about hydro again. I'm wondering what expertise the department has in-house to steer the proposed hydro plan or hydro program — the long-range strategy that we talked about. Who is in the department that handles the hydro file? I'd like to know.

Hon. Bob McLeod: Presently we rely on our staff in the energy planning section who have some background in this area. Where more detailed, specialized information is required, we have an NTEC committee, which includes some expertise from the Power Corporation. We also rely on outside expertise on an as-required basis. There are a couple of companies that we used.

Mr. Ramsay: Maybe the Minister could expand on what qualifications staff have in there that have dealt with hydro files before and what experience they bring to the table. This is too important of a file just to fall in anybody's hands. I'd like to know who is going to be responsible for steering this hydro strategy.

Hon. Bob McLeod: We will be using the director of energy planning to provide overall coordination to the project. He will bring in outside expertise as required. In the past we've used expertise such as Peter Lougheed and other experts of that ilk.

Mr. Ramsay: I just wanted to make, I guess, an observation if I could. Throughout this budget and the last four budgets that I've been a part of, there's no shortage of position growth in the area of the Mackenzie Gas Project. We've probably grown by 70 positions just in the four and a half years I've been here, in that area alone.

Yes, the Mackenzie Gas Project is important to the future of the Northwest Territories, but if you look at the potential that hydro has in the Northwest Territories, why we don't have a hydro specialist or somebody on staff where that's their area of expertise.... You know, I would feel more comfortable than just leaving, like I said, an important file like hydro to a director inside a department that arguably is not even responsible for hydro. I mean, there are other departments around there. We need to get some expertise in this area, and I think we should probably look around at other jurisdictions and how they operate. Maybe they could recommend some people, because I do think we need some help in this area. Mahsi.

Hon. Bob McLeod: I think the Member makes an excellent suggestion. Certainly, I think it's an appropriate time to look at it, and we will seriously consider it.

Chairman (Mr. Krutko): Mr. Ramsay?

Mr. Ramsay: Thank you.

Chairman (Mr. Krutko): Page 10-29, information item, Energy, Active Positions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Energy, Active Positions, information item (page 10-29), approved.

Chairman (Mr. Krutko): Moving on to 10-31, Tourism and Parks, Operations Expenditure Summary, Activity Summary, \$10.646 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Tourism and Parks, Operations Expenditure Summary: \$10.646 million, approved.

Chairman (Mr. Krutko): Moving on to page 10-33, Tourism and Parks, Grants and Contributions, \$4.043 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Tourism and Parks, Grants and Contributions: \$4.043 million, approved.

Chairman (Mr. Krutko): Information item, Tourism and Parks, Active Positions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Tourism and Parks, Active Positions, information item (page 10-34), approved.

Chairman (Mr. Krutko): Page 10-35, Tourism and Parks, Active Positions, information item.

Department of Industry, Tourism and Investment, Activity Summary, Tourism and Parks, Active Positions, information item (page 10-35), approved.

Chairman (Mr. Krutko): Moving on to page 10-37, Economic Diversification and Business Support, Operations Expenditure Summary, \$17.249 million. Mr. Bromley.

COMMITTEE MOTION 43-16(2)
DEVELOPMENT OF A STRATEGY
TO SUPPORT TRADITIONAL ECONOMIES
(COMMITTEE MOTION CARRIED)

Mr. Bromley: Thank you, Mr. Chairman.

I move that this committee strongly recommends that the Department of Industry, Tourism and Investment take immediate action to develop a strategy and programs to promote the establishment of renewable resource businesses that provide food, water, energy and building materials from local resources;

and further, that the department include the strategy and associated programs within its departmental business plan to be considered in the fall of 2008.

Chairman (Mr. Krutko): Motion is in order. Motion's been circulated. To the motion, Mr. Bromley.

Mr. Bromley: Mr. Chair, the Minister in his introductory remarks mentioned the investments and the traditional economy and the important role it plays. I thought he had excellent comments there — the role in developing local economies. The value of our traditional economy far exceeds what is evidenced in economic terms or statistics. Further, I appreciate his remarks on the SEED program.

However, we seem, over the eons, not to have successfully focused on developing businesses in these areas, and I think everybody recognizes that we're now facing an era where there's increasing costs associated with simply acquiring our basic needs. We find ourselves importing water from Montreal and Hope, B.C. Water that's even more expensive than gasoline on a per litre basis, and that's pretty expensive.

These are really opportunities for us to develop our local economies, by meeting some of these needs. But it takes a methodical and focused approach, a

strategic approach. Some of the benefits we can accrue are obviously prevention of the leakage of our financial resources and our skill resources by the import of products from afar and, as I mentioned, the local economic development and the benefits that accrue from self-sufficiency.

So it's on that basis that I am moving this motion. Thank you.

Chairman (Mr. Krutko): To the motion?

Some Honourable Members: Question.

Chairman (Mr. Krutko): The question's been called.

Motion carried.

Chairman (Mr. Krutko): We're on page 10-37, Economic Diversification and Business Support, Operations Expenditure Summary: \$17.249 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Operations Expenditure Summary: \$17.249 million, approved.

Chairman (Mr. Krutko): Moving on to 10-39, Economic Diversification and Business Support, Grants and Contributions, Total Grants, \$847,000. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Grants and Contributions, Total Grants: \$847,000, approved.

Chairman (Mr. Krutko): Activity Summary, Economic Diversification and Business Support, Grants and Contributions — Continued, Contributions. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Grants and Contributions — Continued, Contributions (page 10-40), approved.

Chairman (Mr. Krutko): Moving on. Next page, 10-41, Economic Diversification and Business Support, Grants and Contributions — Continued. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Grants and Contributions — Continued, Contributions (page 10-41), approved.

Chairman (Mr. Krutko): Activity Summary, Economic Diversification and Business Support, Grants and Contributions, Total Contributions, \$9.624 million. Agreed? Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I just had one question in this area, and that has to do with the disparity between loans to BDIC, the portfolio... I should say the loans and the dispersal of those loans across the territory. If you look at the statistics, the Beaufort-Delta Region has remarkably less in terms of investments and loan portfolio by the BDIC.

I'd just to hear if the Minister could comment on what the BDIC strategy and the department strategy... to try to even out that dispersal of the money from BDIC, because it's centred in the south and not up north.

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. As the members know, the BDIC is an independent corporation, although as the Minister I do give written direction to the corporation. I have met with the board and the chair and the president. I've indicated to them that one of the priority directions for us as a government is that we want to see benefits or some business development in every community and region in the Northwest Territories.

So that's the area that we'll be moving towards. The fact that currently all of the applications are demand-driven — we will have to work extremely hard to make it more balanced across the Territories.

Mr. Ramsay: I thank the Minister for that. I was a bit surprised when I saw the numbers, because I know there are a number of businesses in the Beaufort-Delta area that are gearing up for the pipeline, and you would think that they'd be accessing some of the loan dollars from the BDIC and that just doesn't seem to be the case. So perhaps if the Minister, in discussions with BDIC, could relay those thoughts. I do believe that maybe it's the case that we don't have the staff on the ground in Inuvik, or whatever the case is, but we should really try to get a better understanding of why the loan dollars aren't going into that area of our territory.

Hon. Bob McLeod: Certainly we would give direction to that effect. I guess the only other plausible scenario is at risk, and some uncertainty up and down the valley may be contributing to this as well. I think we'll give direction to the staff to ensure that we be as proactive as possible when it comes to business.

Mr. Ramsay: I just wanted to thank the Minister for that. I think, just to put it in a little bit of perspective, there were, I believe, 52 loans in Yellowknife, 48 in Hay River and seven in Inuvik, and I think there were 45 or 46 in Fort Smith, a comparably sized community to Inuvik, so there's a discrepancy somewhere when the loan dollars aren't being

dispersed across the territory more evenly. Maybe that's something the Minister can look into.

Hon. Bob McLeod: Thank you. You've raised my curiosity, and certainly I'll work very closely with my board to try to determine what's happening there.

Chairman (Mr. Krutko): Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chairman. Just a question on page 10-40. I know there's an explanation for that, but if I knew it, I've forgotten. Western Harvester Support Program: obviously quite volatile over the years. Can the Minister provide an explanation of that one?

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Maybe I'll just give a bit of history on this, and then I'll ask Ms. Magrum to give us a little more detail on where we're at.

Just before division the outgoing government of the day had made a commitment to Nunavut harvesters of \$15 million. After division the government of the day felt that we should have a similar commitment for western harvesters, so \$15 million was made available to support harvesters. It was initially supposed to be a five-year period whereby aboriginal governments and band governments and so on that supported harvesters could, on a matching basis, draw down this \$15 million and provide it for harvesters.

After the initial five-year period there are still substantial amounts of resources that weren't drawn down, primarily because of difficulty with coming up with the matching amounts. More recently, with more economic opportunities and so on, I think we're down to our last million or so.

I'll ask Ms. Magrum to just give us the detail as to where we're at now.

Chairman (Mr. Krutko): Ms. Magrum.

Ms. Magrum: Thank you, Mr. Chair. The '07-08 Revised and Mains included a number of communities that have expended the money in that program. In the 2008-2009 Mains the \$132,000 is for the Acho Dene Koe First Nation in the Deh Cho. There are nine outstanding community organizations that have not yet participated in this program. The final amount left in the western harvesters program is \$1 million.

Mr. Bromley: Thank you for that explanation. I think I'm with you there. Who was to provide the matching dollars?

Hon. Bob McLeod: The aboriginal governments would have to show a matching commitment, and they could only draw down over a three-year period. I believe that is the requirement.

Chairman (Mr. Krutko): We're on page 10-42, Grants and Contributions, total contributions: \$9.624 million.

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Grants and Contributions — Continued, Total Contributions: \$9.624 million, approved.

Chairman (Mr. Krutko): Page 10-42, Total Grants and Contributions: \$10.471 million.

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Total Grants and Contributions: \$10.471 million, approved.

Chairman (Mr. Krutko): Moving on to Page 10-44, information item, Economic Diversification and Business Support, Active Positions.

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Active Positions, information item (page 10-44), approved.

Chairman (Mr. Krutko): Page 10-45, information item, Economic Diversification and Business Support, Active Positions.

Department of Industry, Tourism and Investment, Activity Summary, Economic Diversification and Business Support, Active Positions, information item (page 10-45), approved.

Chairman (Mr. Krutko): Page 10-46, information item, Lease Commitments — Infrastructure. Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chairman. I see that we have a visitor centre contribution in Inuvik. I see we have the visitor centre contribution in Dawson. I'm just curious about where the visitor centre contribution is in Yellowknife.

Chairman (Mr. Krutko): Mr. Vician.

Mr. Vician: This lease commitment reflects commitments to parties under arranged leases. In the case of the Yellowknife visitor centre, that is arranged through a direct contribution to the Northern Frontier Visitor Association.

Chairman (Mr. Krutko): Information Item, Lease Commitments — Infrastructure.

Department of Industry, Tourism and Investment, Activity Summary, Lease Commitments — Infrastructure, information item, approved.

Chairman (Mr. Krutko): Page 10-47, information item, Fur Marketing Service Revolving Fund.

Department of Industry, Tourism and Investment, Activity Summary, Fur Marketing Service Revolving Fund, information item, approved.

Chairman (Mr. Krutko): Page 10-48, information item, Work Performed on Behalf of Others.

Department of Industry, Tourism and Investment, Work Performed on Behalf of Others, information item, approved.

Chairman (Mr. Krutko): Page 10-49, information item, Work Performed on Behalf of Others.

Department of Industry, Tourism and Investment, Work Performed on Behalf of Others — Continued, information item, approved.

Chairman (Mr. Krutko): Page 10-50, Work Performed on Behalf of Others.

Department of Industry, Tourism and Investment, Work Performed on Behalf of Others — Continued, approved.

Chairman (Mr. Krutko): So we can move back to Page 10-7. Mr. Abernethy.

COMMITTEE MOTION 44-16(2)
TO DEFER CONSIDERATION
OF THE OPERATIONS EXPENDITURES
(COMMITTEE MOTION CARRIED)

Mr. Abernethy: I'd like to make a motion.

I move that this committee defer further consideration of the department summary for the Department of Industry, Tourism and Investment — Operations Expenditures at this time.

Chairman (Mr. Krutko): Motion is order. Motion is being circulated.

Motion carried.

Chairman (Mr. Krutko): Can we move to Volume 2? Starting on page 9-7, Infrastructure Acquisition Plan.

Interjection.

Chairman (Mr. Krutko): Excuse me; we're not finished.

Just for the record, we've deferred the Operations Expenditures. We're now moving to the Infrastructure Acquisition Plan, and we're starting on page 9-7, Tourism and Parks, Tangible Capital Assets: \$3.828 million. Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chairman. Can I get some detail as to what park renewal is? We have a listed item as \$1.5 million. If I could get the breakout as to where that money's being spent.

Chairman (Mr. Krutko): Minister of ITI.

Hon. Bob McLeod: Thank you, Mr. Chair. We were looking at spending \$300,000 on the Sixtieth Parallel Visitor Information Centre, \$500,000 on the Fort Smith Mission Park, \$100,000 on the protected area park, and we had, in the detail that was provided, which I understand is a cash flow statement, identified \$600,000 for airport displays, but it was our intention to take \$100,000 of that and use it for planning money for an RV park for Fred Henne or Yellowknife area and re-jig the money for airport displays and road signage over a two-year period. That was our intention.

Mr. Hawkins: Is there any document that substantiates that suggestion that there will be \$100,000 taken out of the airport display money, which has been earmarked at, as I think the Minister described it, \$600,000?

Hon. Bob McLeod: We can commit to providing a breakdown of those amounts to the Member or the Members

Chairman (Mr. Krutko): Mr. Hawkins.

COMMITTEE MOTION 45-16(2):
TO DELETE \$1.5 MILLION FROM
TOURISM AND PARKS FOR PARKS RENEWAL
(COMMITTEE MOTION CARRIED)

Mr. Hawkins: Thank you, Mr. Chairman. At this time I'm going to have to move a motion.

I move that the 2008–2009 Main Estimates be amended by deleting \$1,500,000 from the activity “Tourism and Parks” under the Department of Industry, Tourism and Investment — capital investment expenditures on page 9-7 of the Infrastructure Acquisition Plan for parks renewal.

Chairman (Mr. Krutko): Motion is in order. Motion's being circulated. To the motion, Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. First and foremost, I am going to support the motion to delete this money. I think this motion, as many other motions that Regular Members have passed, speaks volumes to the involvement that Regular Members have had. Personally, I worked in Parks for eight years, and I know my colleague Mr. Abernethy worked in Parks. A number of us across here, if not all of us, understand and appreciate what investing in our parks system and in our tourism industry means to the Northwest Territories. However, when we're presented with a plan that we haven't had any input into, we haven't had any discussion about, and the projects end up coming in.... We only see the information the department provides us. If ITI wanted to move some money around for an RV park here in

Yellowknife, I think they perhaps would have the ability to do that without much trouble, even with us passing this motion.

I understand — and just going back to the last interim appropriation — the government approved in the area of parks renewal \$2.318 million. That provided some renovation money and upgrade money across the parks system in the Northwest Territories.

I know the department has an ambitious plan of spending \$4.5 million on this strategic investment area in tourism and parks. I do want to say to the government that I support and applaud that effort to spend more money in the parks, but I think it should go through the proper channels and go through a business planning process where Regular Members can have some input into where the money is being spent — how we're going to arrive at our end goal of spending that \$4.5 million the most effective way that we can. With that, I'll leave it to my colleagues to speak to the motion as well. Thank you.

Chairman (Mr. Krutko): To the motion. Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. I will be voting to support the motion as well.

I sit on the Standing Committee on Economic Development and Infrastructure. Along with my colleague Mr. Ramsay I think that investment in parks is very important. I would suggest that right now, in a time of some critical restraint on the part of this government, perhaps it's not the highest priority.

I just have to comment as well on the fact that the information that was brought before the standing committee did not in any way indicate that there was investment money there for the Fred Henne Park. Maybe there's other money from within under tourism product diversification or some other place from which they could get money for this venture. We have heard a lot about that particular expansion. But for something to come up like this at the eleventh hour that's never been referred to before, to say that money was going to be.... The information given to the committee was that the money was going to be spent on something, and on the very last day we have a vote on this in the House, for information to come forward to say, “Oh, there was money going to be diverted to something else,” that is not acceptable.

I'll be supporting the motion to delete. Thank you.

Chairman (Mr. Krutko): To the motion, Mr. Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Chair. This strategic investment represents proposed capital plan investments over the next three years, and it's critical to strengthening and renewing elements of our parks system.

Together the strategic initiatives identified make up an essential component of our tourism infrastructure in the Northwest Territories. Without this investment we are in danger of compromising our existing investment of time and money that we as a government have dedicated to building and diversifying our tourism sector and investing in the economic growth and diversity of our communities.

Implicit in this proposed investment are specific initiatives that we have identified which will be eliminated should this investment not be possible.

For the record, I'd like to highlight the strategic initiatives that we have identified for investment over the next three years.

One, much-needed upgrades to the Sixtieth Parallel Visitor Information Centre. This centre is the welcoming centre for visitors travelling north along the Mackenzie Highway. It is a gateway to our territory and is a key component in linking visitors to the NWT with parks, campgrounds and communities. This facility is in dire and clearly evident need of repair. It is a 40-year-old structure that requires extensive retrofitting and upgrading. More importantly, this facility does not portray a good first impression for the travelling public. We have invested heavily in attracting increased load traffic for our region. Our work was reflected in a 32 per cent increase of visitors at the Sixtieth Parallel. We must follow through on this investment and take the necessary steps to ensure that the first impression these travellers have of our region is professional and informative.

Two, the rescue of the Fort Smith Mission Historic Park. The old mission site in Fort Smith and its buildings were purchased by this government to be preserved as a representation of the culture and heritage of the Fort Smith region. It provides a significant feature and attraction for tourists visiting the Fort Smith region, and we have been working with the Northern Life Museum to restore the seven buildings that make up this historical site.

Three, a protected area park. This government has committed to the protection and conservation of special areas in our territory under the Protected Areas Strategy. This strategy allows us to use the Territorial Parks Act to identify and protect areas that are important to our wildlife, economy, culture, environment and values. We are anxious to advance this work quickly in the interests of developing our natural tourism infrastructure, advancing the economic returns of investment in

this sector, while sustaining historic and cultural ties with our environment. We need to complete the PAS process in areas that will complement our department's commitment to meet the growing demands for ecotourism and outdoor adventure.

Four, airport and road signs. Signs are a key element in the competition for tourism dollars. The GNWT operates the signs program on the NWT highway system and at key entry points to our territory. There are two issues driving the need for investment in this area. First, existing signs are aging and dilapidated. Second, we need to respond to an increasing complaint from tourists travelling in our region who say that we need to increase and improve our signage to allow them to fully connect at NWT tourism projects.

Five, the government's Tourism 2010 plan identifies infrastructure as a critical pillar in our tourism product.

Six, an RV park for the North Slave region. There is an overwhelming need for additional or expanded RV facilities in the North Slave region. This demand is driven by both an increase in road tourism to our territory and a rising local demand that reflects the growing population of young families. An additional 70 per cent increase is now forecasted in the demand for RV camping facilities in the North Slave region by 2015.

Tourism is an export industry bringing new dollars into our economy, and it is the largest renewable resource industry in the Northwest Territories, far exceeding the returns from trapping, fishing and forestry combined. Parks infrastructure is an extremely important tourism attractor. Thank you, Mr. Chair.

Chairman (Mr. Krutko): To the motion, Mr. Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. Just briefly I'd like to speak to the issue of tourism and the environment. It's dear to the heart of many of the people that I've heard speak in this House. We talk about the need to get people on the land. We talk about the need to promote renewable resource industries that are going to take away the focus from oil and gas and minerals and all the other extraction activities that leave such a big footprint on the land.

The tourism piece, the parks piece is probably the most undernourished part of the government that we have. It's always been cut. It's always been ignored, because there are other priorities. We've reached a point, like we have in a lot of other cases, where we have an accrued infrastructure deficit here.

We also have an opportunity. We've been talking for years about the Protected Areas Strategy. We've been talking to the federal government, about the federal government, complaining about the process. We finally have some money in the budget — territorial money in the territorial budget — to look at a protected area park, the first one in the Northwest Territories. Wrigley is in line for that type of consideration, yet we're going to turn our back on it to make some kind of political statement that has been made a number of times already in this House.

The issue before us is: what value do we place on our parks? What value do we place on the environment, that we all speak so much about, and at what cost are we going to ignore it? I would encourage folks to reconsider this. I mean, this doesn't come this way very often. We've been waiting, in many cases years. The fact that we will finally be able to stand up and look people in the eye that we've put money into a protected area park would be something that is long, long overdue.

We have the legislation. We have the programs. We never put in any money, and we never use the tools to do that. So what statement are we making about the value we place on that type of activity? I think it's worth while to proceed with those, and I would encourage Members to consider that.

Chairman (Mr. Krutko): To the motion, Ms. Lee.

Hon. Sandy Lee: Thank you, Mr. Chairman. I'd like to offer a few words and ask the Members who are supporting this motion to reconsider.

Mr. Chairman, obviously, as minister of health one doesn't need to say a lot about the benefits of parks and opportunities, RV sites and other outdoor activities, that we would like to encourage our residents to partake in. I understand that although we have a lot of RV sites and parks all across the Territories — and I've seen a few of them when I'm driving on Highway No. 3 — the RV site in the North Slave area is the only one where the supply doesn't meet anywhere near the demand. As Mr. Miltenberger stated already and as Minister Bob McLeod said, this area has been one that has been neglected in terms of capital investment for many, many years.

In my time here — this is my ninth budget — I think this is the biggest investment the government has proposed, and it's one we all should pay more attention to. I should also tell you that a month ago I had the occasion to attend a meeting of the public on the Reid park issue. I have to honestly say that that was the biggest meeting I have ever attended, including the public school and Catholic school issues. I got introduced to a whole new area of public interest about camping and the importance of access to camping for families with children and

families who want an opportunity to take part in outdoor activities that are convenient and accessible.

Now, I know there's a question being raised here: that the details were not known as to exactly what this money was. This is something new that's being said in this Chamber, that I've not heard before, which is what the budget process is. As far as I know, Members come down here and we ask questions back and forth. You get more information from the Minister, and that helps you make your decision. I would just like to encourage the Members to rethink what this item is about and that it's a start of the process.

Half the projects of this kind need a multi-year plan, and this is part 1 of the plan to expand the park system and access and taking steps on the protected air strategy. The next business cycle, the next budget, doesn't come around for another year. I think there are some people out there who might consider that this is an urgent matter.

With that, I would encourage the Members to rethink and to think about not going with this motion.

Interjections.

Chairman (Mr. Krutko): Let the Members speak to the motion, please. Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I do support the motion. I feel at this point that \$1.5 million is — I don't disagree that we need to invest in our parks. I think we do, but I think that given our current financial situation, this is a strategic investment that needs to be delayed for a bit, basically delayed because I think we should be retaining staff positions as opposed to putting this money into parks.

I also wanted to point out that for '08–09 there's a total of \$3.8 million proposed in the budget. If we delete \$1.5 million, there's still going to be \$2.3 million invested in probably 15 different projects in our parks.

Lastly, I wanted to mention that there seem to be two projects at the Visitor Information Centre at the 60th parallel. There's what's been suggested will go into the visitors centre from the \$1.5 million that the motion is referencing. There's also a total of \$710,000 for the Visitor Information Centre at the 60th parallel, a project that starts in '08–09 with \$10,000. So it's not like there's nothing going to be happening there. There's certainly going to be something starting to happen there. That said, I'll repeat that I am in support of the motion.

Chairman (Mr. Krutko): To the motion, Mr. Menicoche.

Mr. Menicoche: Thank you very much, Mr. Chair. I, too, will be supporting this motion to delete the \$1.5 million. Members on this side, including myself, expressed great dissatisfaction with our budget process to date. Here again is another instance of us not getting any details, especially on this line item. The Minister is providing details at the eleventh hour. That's not how consensus government works.

Consensus government is working with this side of the House, working with all Members and trying to get agreement on line items and to work on the budget. If you don't want to work with us on the budget, then we come to these kinds of situations where it's: "Look, I've got no involvement. I've got no ownership. If I had ownership in this line item, then I'd vote against it, but I don't."

With that, it's a plug for consensus-style government. This side of the House, well, especially me.... My vote is going to be in support of this motion. I hope that Cabinet gets the message that we'll agree with your budget if you agree with us. Simply said, there, Mr. Chair.

Chairman (Mr. Krutko): To the motion, Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I think my colleagues have pretty well said it. I've heard remarks from both sides of this House, and I give credibility to a number of them. But we're given a blunt target here, and we're having to use a blunt instrument to deal with it. I prefer to think of my vote as voting for all of these things, many of which the Minister from Thebacha outlined. They're some of the values that I represent. They're represented in all of these tourism and parks improvements and renewal projects.

There are many of them here, but none of them come anywhere close to \$1.5 million. They're all very specific. What I'm seeing is clarity with them. Then I get to this parks renewal: \$1.5 million with no clarity whatsoever. I've heard some of the things that are mentioned in it, and some of them I fully agree with, but again we've got a blunt instrument as the only instrument we have to bring to bear here. On that basis, I also will be supporting this motion.

Chairman (Mr. Krutko): To the motion, Mr. Beaulieu.

Mr. Beaulieu: Thank you, Mr. Chair. I, too, will support the motion. I agree that parks renewal is very important but not essential. I think that at this point we're having many issues with the budget. We're having difficulty retaining our staff. We're putting lots of families through a lot of issues, obviously, with the layoffs and so on. This type of initiative is something that could be deleted from

the budget and reintroduced in more essential areas.

I think this could be brought through the regular business-planning process. It's an opportunity for us to see how one budget year evolves without trying to put a whole bunch of new initiatives into it and to determine the impact of the cuts that are currently in place and also to look at this as a potential to have 15 PYs, approximately, in the government that were cut, maybe some that were essential as well. So I, too, will support this motion.

Chairman (Mr. Krutko): To the motion, Mr. Roland.

Hon. Floyd Roland: Thank you, Mr. Chairman. This initiative falls under the Maximizing Opportunities Strategic Initiative, which we worked on as government. I've heard from Members on a number of the initiatives saying that it was done in secret, in Cabinet rooms, that there's been no input. But much of this has been stuff we've heard about from the people of the Territories. We've heard about our tourism industry, that we haven't invested. When they compare us to the Yukon, we're substantially underinvesting in the area of tourism. We want to diversify our economy. The one opportunity we start to look at and put some money in — I'm somewhat disappointed, I'll say, by the fact that Members use this as the opportunity to send a message.

Members can say, "Well, give me what I want, and I'll agree with your budget." If we did that, we would have to in fact, Mr. Chairman, look at old-style politics. We would look at going away from a plan of change. I see these initiatives as the start of change to the way we do business as the Government of the Northwest Territories. We've heard from people in the Territories talk about doing things differently, and this is not just about what we heard three months ago or six months ago. Many of us have heard this talk for years. Some of them inspired us to come to this table. For years we've watched the process unfold, almost hypnotically, about going through this process.

With this section of the budget, finally we'd have some of our past supporters of tourism or even today's supporters of tourism see some investment, as small as it is. We're nowhere close to where we should be investing, but we're starting to make that investment, and that's going to be shut down. We talk about: let's not change things; let's keep things the same. Yes, there are other areas of importance, but there's never enough money.

When you look at the investment in the parks section, the parks section is seeing \$50,000 here, \$25,000, \$30,000; the odd time you get \$100,000 or \$200,000 on a big enough initiative. Usually it's been in the plan for ten years or so. Some of this

stuff has been around as long as that, and it's finally making a level there, as we heard.

When I was involved in the tourism sector, Mr. Chairman, one of the things that I caught on to very quickly as an operator was the fact that first impressions count for a whole lot. If your first impression wasn't a good one, you were working your whole trip to convince your guests that it was a good trip. But if their first impressions were already that this was a pretty good trip, that it's looking good, the fact is that your job was a lot easier, because the product almost sold itself.

We've got some work to do here in the Northwest Territories, and we're trying to do that through this piece of it. We're starting to enter fields — for example, in the protected areas piece — and occupy some of those fields. It starts with some small steps, and that's what I see with this: the possibility of starting that change to the process of how we do business and investing in critical areas. As it was said already, parks and tourism don't normally fall high, even on good days, in budget expenditures. They're very high on the radar when it comes to meeting the five criteria, when it comes to capital, and that is public safety and asset safety and so on. Those are things we have to consider, and they usually don't make the cut when it comes down to the final choices we make as an Assembly. Some of the parks we have invested in because of the claims process, for example. Those are things we have to consider when we do this.

I know Members have made up their minds already, and I respect everyone for making up their minds on issues. As much as it may not have been enough in the eyes and the minds of the Members when we brought forward the draft business plans for review and waited for comments back, information was included. We made some changes, and we've committed to make some more changes through this process. I was hoping Members would see that as the start of investment in this area, which has been lacking for many years.

Unfortunately, it doesn't sound like we're going to get that, but I'm hoping Members would consider that. Yes, things will be delayed for a year, and the costs will go up in some areas. Some areas will just have to drop off, because other priorities will take over. But this was an opportunity to see some investment in an area that's been lacking for many years, since the days of capital reductions in '95–96, I believe. We've tinkered with it. We've added small segments. Here's a chance. We had a chance to put in a little bit more, and we're being told that's not an important area.

With that, Mr. Chairman, I request that as we vote on this, we'll do it with a recorded vote.

Chairman (Mr. Krutko): Next on the list I have Mr. Abernethy, then Robert McLeod and Mr. Hawkins.

Mr. Abernethy: Thank you, Mr. Chair. I'm a supporter of tourism. I've talked about tourism an awful lot. I've talked about creating opportunities to encourage people from the south to come to the North. Obviously, I have conflicted feelings on this. At the end of the day we're not killing tourism in the Northwest Territories by not spending this \$1.5 million. We'll still be investing \$2.3 million this year, and then according to the strategy it'll be coming forward for an additional \$3 million over the three years, which is still a significant investment in tourism.

I mean, I clearly understand why the Member for Deh Cho is upset. We are knocking off \$300,000 for the 60th parallel visitors' park. I understand why the Member for Fort Smith is upset. We're knocking off \$500,000 for the Fort Smith Mission Park. I also understand why the Member for Sahtu is upset; we're knocking off \$100,000 for the CANOL Trail.

These things aren't necessarily dead. We may have an opportunity to bring these back when that side of the House meets with this side of the House and we talk clearly about the priorities and infrastructure that is important to the Northwest Territories. I get it. This isn't necessarily the time. It can come back, and we can talk about this, and we can put this infrastructure in place. We're talking a delay; we're not talking a termination.

Chairman (Mr. Krutko): To the motion, Mr. Robert McLeod.

Mr. McLeod: Thank you, Mr. Chair. I agree with everything the Premier said. I was sitting here and I was listening. I had an idea before I came in here which way I was going to lean on this. I think I even asked my seatmate here: why are we doing this? I listened to the reasons from both sides of the House, and I thought the Members on this side of the House stated their case a little bit better than the other side. I don't mean that in a bad way.

I agree that we have all these other projects here. I think one of the Members touched on it: they're all specific. I mean, we know exactly where it's going. I think the Member for Nahendeh talked about parks renewal and that he doesn't feel like he has ownership of it. I think that's part of our problem over here.

We're not saying that this is not an important area, but at this time I think we have to realize, you know — and I think one of the Members from the other side said it — that you have to go look somebody in the eye. I totally agree with him. That's one of the reasons why I don't think this is an important use of government funds right now. I want to be able to go home and look my constituents in the eye and tell them, all 34-plus who potentially could lose their jobs: "I fought hard for your jobs. I was unable to save most of you, but by the way, we're spending \$1.5 million on parks renewal. We're not knowing exactly where it's going to go." That's one of the

reasons I look at it this way. I need to be able to go home and justify all this.

There are a lot of line items in here I don't necessarily agree with. We can argue them line by line, but there are some, I know, where we just have to let them go through. This is really not a huge priority right now. I'm glad to see that my words are being listened to very carefully, so I'll leave it at that.

Chairman (Mr. Krutko): To the motion, Mr. Michael McLeod.

Hon. Michael McLeod: Mr. Chairman, I'm quite concerned over the Member for Great Slave's comments about whether I was happy or unhappy or upset. I have not spoken to this motion. He is making some assumptions, and I believe he is imputing motive. I'll be reviewing Hansard tomorrow to see where he's going with his line of discussion on this motion.

Chairman (Mr. Krutko): To the motion, Mr. Hawkins. I'll give you the last word since you're the mover of the motion.

Mr. Hawkins: Thank you, Mr. Chairman. First, I want to thank Minister McLeod for his sincerity on this issue. I know tourism is very important to him. He even came by my office today to talk about this. I want to thank him for that, and I want to acknowledge that he does a good job over there.

To this issue, Mr. Chairman. He was bringing the information down as to what's happening on this line item. I thank him for that. But as I see it, the detail, in my mind, wasn't there. I had the documentation in front of me. Things like the RV park weren't there. I would have appreciated if it had been there. I think if Members who now sit in Cabinet over there who claim we don't see the detail... The detail isn't here, as it was stated earlier by the Minister. He said that there would be an RV park. It's not there. I know other Members would go kicking and screaming if one Minister said, "Really, it's in between those numbers," and it's not.

The fact is that I see this as an excellent group of projects coming through the business plans. I wouldn't want to pretend I speak on behalf of EDI or any other Member here in this House, but I suspect that they would be very welcome to see this as a potential initiative, and they can deal with it line by line through their process. I don't sit on the EDI Committee, so I stress I won't speak on their behalf. But I can't imagine why they would refuse anything like this.

The issue of the RV park has come up a few times, even mentioned by the Minister as being buried in that airport display money of \$600,000. I don't think it's to any surprise in this community that I definitely

support RVing. I definitely believe that further investment needs to be there.

But, unfortunately, the business plan doesn't break that information out, and I think it puts us in a very awkward position to take the Minister at face value in the context that detail will come.

Chairman (Mr. Krutko): You're doing wrap-up here on the motion. You don't have a second chance to debate the motion. We're asking you to wrap up the motion so we can have a vote on it, Mr. Hawkins.

Mr. Hawkins: Okay. Mr. Chairman, I'll be really fast. The fact is that I support this motion as it's coming forward. I'll just close it off, because it's being encouraged by you, before you cut me off — because you're the respected Chair, that is.

Mr. Chairman, I support the motion, and I would sincerely encourage the Minister to bring this back in its earliest form. If there are health and safety issues, as I heard dilapidated states said earlier, I would encourage him to use the sub-process to do that.

Mr. Chairman, a recorded vote's already been asked for, so I don't need to ask for it again. I thank you for your time.

Chairman (Mr. Krutko): A recorded vote has been requested on this motion. All those in favour, please stand.

Principal Clerk of Committees (Ms. Russell): Mr. Hawkins, Mr. Beaulieu, Ms. Bisaro, Mr. Bromley, Mr. Abernethy, Mr. Menicoche, Mr. Ramsay, Mrs. Groenewegen, Mr. Robert McLeod.

Chairman (Mr. Krutko): All those against the motion, please stand.

Principal Clerk of Committees (Ms. Russell): Mr. Lafferty, Ms. Lee, Mr. Miltenberger, Mr. Roland, Mr. Michael McLeod, Mr. Yakeleya, Mr. Bob McLeod.

Chairman (Mr. Krutko): All those abstaining from the motion, please stand.

Results of the motion are nine in favour, seven against, zero abstentions.

Motion carried.

Chairman (Mr. Krutko): Okay. Under Tourism and Parks, Infrastructure Acquisition Plan, Capital Assets, Total Capital Assets: \$2.328 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Infrastructure Acquisition Plan, Tourism and Parks, Tangible

Capital Assets, Total Tangible Capital Assets: \$2.328 million, approved.

Chairman (Mr. Krutko): Total Activity: \$2.328 million.

Department of Industry, Tourism and Investment, Activity Summary, Infrastructure Acquisition Plan, Tourism and Parks, Total Activity: \$2.328 million, approved.

Chairman (Mr. Krutko): Total Department: \$2.328 million. Agreed?

Department of Industry, Tourism and Investment, Activity Summary, Infrastructure Acquisition Plan, Tourism and Parks, Total Department: \$2.328 million, approved.

Chairman (Mr. Krutko): Does the committee agree that the department's infrastructure acquisition plan has been concluded? Agreed?

Some Honourable Members: Agreed.

Chairman (Mr. Krutko): With that, what's the wish of the committee? Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. I would like to move that we report progress.

Chairman (Mr. Krutko): The motion to report progress is non-debatable.

Motion carried.

Chairman (Mr. Krutko): I will rise and report progress. Sergeant-at-Arms, could you escort the witnesses out.

Report of Committee of the Whole

The House resumed.

Mr. Speaker: Can I have the report of the Committee of the Whole, please, Mr. Krutko.

Mr. Krutko: Mr. Speaker, your committee has been considering Tabled Document 37-16(2), Main Estimates 2008–2009, Committee Report 7-16(2), and would like to report progress with seven motions being adopted.

Mr. Speaker, I move that the report of the Committee of the Whole be concurred with.

Mr. Speaker: Thank you, Mr. Krutko. Do we have a seconder? The Member for Nahendeh, Mr. Menicoche.

Motion carried.

Mr. Speaker: Item 22, third reading of bills. Item 23. Mr. Clerk, Orders of the Day.

Orders of the Day

Clerk of the House (Mr. Mercer): Mr. Speaker, Orders of the Day for Wednesday, June 11, 2008, 1:30 p.m.

- 1) Prayer
- 2) Ministers' Statements
- 3) Members' Statements
- 4) Returns to Oral Questions
- 5) Recognition of Visitors in the Gallery
- 6) Acknowledgements
- 7) Oral Questions
- 8) Written Questions
- 9) Returns to Written Questions
- 10) Replies to Opening Address
- 11) Petitions
- 12) Reports of Standing and Special Committees
- 13) Reports of Committees on the Review of Bills
- 14) Tabling of Documents
- 15) Notices of Motion
- 16) Notices of Motion for First Reading of Bills
- 17) Motions
- 18) First Reading of Bills
 - Bill 9: Supplementary Appropriation Act, No.4, 2007–2008
- 19) Second Reading of Bills
 - Bill 11: An Act to Amend the Legislative Assembly and Executive Council Act
- 20) Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 8: Appropriation Act, 2008–2009
 - CR 2-16(2): Standing Committee on Government Operations Report on the Review of the Report of the Auditor General on the Northwest Territories Housing Corporation Public Housing and Homeownership Programs
 - CR 3-16(2): Standing Committee on Government Operations Report on the Review of the 2006–2007 Annual Report of the Commissioner

CR 4-16(2): Standing Committee on Priorities and Planning Report on the Review of the 2008–2009 Draft Main Estimates

CR 5-16(2): Standing Committee on Government Operations Report on the Review of the 2008–2009 Draft Main Estimates

CR 6-16(2): Standing Committee on Social Programs Report on the Review of the 2008–2009 Draft Main Estimates

CR 7-16(2): Standing Committee on Economic Development and Infrastructure Report on the Review of the 2008–2009 Draft Main Estimates

TD 37-16(2): Main Estimates 2008–2009, Volumes 1 and 2

21) Report of Committee of the Whole

22) Third Reading of Bills

23) Orders of the Day

Mr. Speaker: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, June 11, 2008, at 1:30 p.m.

The House adjourned at 9 p.m.

