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The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Table of Contents

Prayer	1593
Ministers' Statements	1593
96-16(2): Community Gardens Initiative and Small Scale Food Program (B. McLeod)	1593
97-16(2): 2008 Fire Service Merit Award Recipients (R. McLeod).....	1593
98-16(2): Increased Funding to the Arts (Lafferty).....	1594
Members' Statements	1594
Access Road to the Aklavik Gravel Source (Krutko).....	1594
McCrank Report on Resource Development Regulatory Process (Bromley).....	1595
Stanton Hospital Master Development Plan (Abernethy).....	1595
Bison Herd Management in Fort Liard (Menicoche)	1596
Support to Entrepreneurs and Economic Development Policy (Ramsay).....	1596
Diamond Jenness Secondary School (Groenewegen)	1597
Lack of Public Washrooms in Downtown Yellowknife (Hawkins).....	1597
High Cost of Food in Tu Nedhe Communities (Beaulieu)	1598
United States Ban on Importation of Polar Bear Hides (Jacobson)	1598
Creation of a Community Infrastructure Funding Program (Bisaro).....	1599
Cost of Living Subsidies for Elders in Small Communities (Yakeleya).....	1599
Recognition of Visitors in the Gallery	1600
Oral Questions	1600
443-16(2): Funding for Youth Programs (Beaulieu).....	1600
444-16(2): GNWT Response to McCrank Report (Bromley).....	1601
445-16(2): Stanton Territorial Hospital Master Development Plan (Abernethy)	1601
446-16(2): Timing and Cost of School Infrastructure Plan (Groenewegen)	1603
447-16(2): Support to Entrepreneurs and Economic Development Strategy (Ramsay).....	1603
448-16(2): Access Road to Aklavik Gravel Source (Krutko)	1604
449-16(2): Creation of a Community Infrastructure Funding Program (Bisaro)	1605
450-16(2): United States Ban on the Importation of Polar Bear Hides (Jacobson).....	1606
451-16(2): Lack of Public Washrooms in Downtown Yellowknife (Hawkins)	1607
452-16(2): Bison Herd Management in Fort Liard (Menicoche).....	1608
453-16(2): Cost of Living Subsidies for Elders in Small Communities (Yakeleya)	1609
454-16(2): Insurance Coverage of Palliative Care Medication (Abernethy).....	1610
Reports of Committees on the Review of Bills	1611
Bill 15 - An Act to Amend the Workers' Compensation Act.....	1611
Tabling of Documents	1611
Consideration in Committee of the Whole of Bills and Other Matters	1611
Tabled Document 93-16(2): Northwest Territories Capital Estimates 2009–2010	1611
Report of Committee of the Whole	1628
Orders of the Day	1628

**Yellowknife, Northwest Territories
Wednesday, October 8, 2008**

Members Present

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

The House met at 1:32 p.m.

Prayer

Prayer.

Speaker (Hon. Paul Delorey): Good afternoon, colleagues. Welcome back to the Chamber. Orders of the Day. Item 2, Ministers' statements. The honourable Minister of Industry, Tourism and Investment, Mr. Bob McLeod.

Ministers' Statements

MINISTER'S STATEMENT 96-16(2)
COMMUNITY GARDENS INITIATIVE AND
SMALL SCALE FOOD PROGRAM

Hon. Bob McLeod: Mr. Speaker, at the appropriate time this afternoon I will be tabling two documents detailing this government's work to promote community gardens and the Small Scale Food Program in the Northwest Territories.

The Department of Industry, Tourism and Investment began this initiative two years ago with financial support from the Canada-Northwest Territories Agriculture Policy Framework Agreement. Under the Canada-Northwest Territories Agriculture Policy Framework Agreement a total of \$1.7 million was invested in agricultural projects in the NWT over five years, including programs in science and innovation; renewal, including the Small Scale Foods Initiative Program; environment; and food safety and quality.

While the small scale foods initiative may be relatively new, the concept of growing foods in the North is not. In fact, early settlers to our region had a proven history of growing and harvesting food to meet their dietary needs. For two decades our government has provided support to such efforts as required and as resources have permitted.

Most of our community garden programs begin with a group of very committed local residents who work with us to select small parcels of land for development into a community garden. With assistance and support these gardens are

established, cultivated and maintained throughout the course of our short growing season, and the result is often shared within the community. For example, Mr. Speaker, in the community of Whati vegetables produced in the community garden were used in a community feast this fall. In total, 19 community gardens were planted and harvested in the NWT this summer.

These projects support diversification and healthy living and encompass representation from every age group. They require only basic tools and a little hard work. There are, of course, challenges like wandering bison, burrowing groundhogs, hungry rabbits, not enough water, too much water and variable temperatures. The outcome, however, is always worth the effort. Fresh potatoes, carrots, broccoli, turnips and onions are just a few of the nutritious rewards for the time that is invested.

One producer in Tulita advised that he planted six rows of carrots: two for him and four for the neighbourhood kids. This is a very effective method of attracting new volunteer gardeners.

Mr. Speaker, producing foods locally makes sense. It saves money and contributes to a healthier way of life. We are pleased to provide this program with continued support from the Government of Canada, and we look forward to building on our success to expand the program into each of the Northwest Territories' 33 communities.

Mr. Speaker: Thank you, Mr. McLeod. The honourable Minister of Municipal and Community Affairs, Mr. Robert McLeod.

MINISTER'S STATEMENT 97-16(2)
2008 FIRE SERVICE
MERIT AWARD RECIPIENTS

Hon. R. McLeod: Thank you, Mr. Speaker. October 5 to 11 is designated as Fire Prevention Week across Canada. Fire Prevention Week is dedicated to educating the public about the importance of fire safety. This year's theme is Preventing Home Fires.

Northwest Territories firefighters provide an important service that is not always appreciated until an emergency arises and they are called to duty to protect people and property in our

communities. Many community firefighters in the NWT are volunteers; however, they dedicate a significant amount of their time to assist their communities. We appreciate the risks all NWT firefighters take on our behalf.

Mr. Speaker, in recognition of Fire Prevention Week I wish to acknowledge the 2008 recipients of the NWT's Fire Service Merit Awards. The Fire Service Merit Awards acknowledge the tremendous commitment and dedication of the men and women of the Northwest Territories Fire Service, who strive to keep our families, homes and communities safe. This year the Department of Municipal and Community Affairs is pleased to honour three recipients, nominated by the public, for their extra efforts in keeping their communities fire safe.

Mr. Christopher Jack-Carson, an educator in Fort Providence, is receiving this year's Individual Award for developing an introductory fire issues program for his school. Mr. Jack-Carson recognized the value of providing his students with important information on fire hazards, fire prevention, fire response services in their community and career opportunities in firefighting. The program has been highly successful and has resulted in a reduction of fires in Fort Providence.

Mr. Speaker, the Hamlet of Fort McPherson's fire department is receiving a community award for their outstanding efforts in expanding their response capabilities. This progressive fire department has added new training modules for their crew, including highway rescue, first responder, urban interface and water rescue, while continuing to maintain and enhance core firefighting skills.

The Tlicho communities' government of Behchoko fire department is receiving a community award with honours, Mr. Speaker. This fire department has shown tremendous initiative in revitalizing and enhancing their community fire service. The Behchoko fire department has acquired new equipment and uniforms and developed preventative maintenance programs. Under a pilot initiative the Behchoko fire department's training efforts have been extended to other Tlicho communities, substantially improving fire protection in the North Slave region.

Mr. Speaker, the Fire Service Merit Award program is a tremendous opportunity for the Government of the Northwest Territories to recognize the contributions firefighters make every day and to highlight the importance of a skilled fire service. I invite my colleagues to join me in the Great Hall at 11 a.m. on October 9 to celebrate the achievements of this year's award recipients.

Mr. Speaker: Thank you, Mr. McLeod. The honourable Minister of Education, Culture and Employment, Mr. Lafferty.

MINISTER'S STATEMENT 98-16(2) INCREASED FUNDING TO THE ARTS

Hon. Jackson Lafferty: Mahsi, Mr. Speaker. Earlier this year the Government of the Northwest Territories increased funding to the arts through the Department of Education, Culture and Employment in the amount of \$500,000.

The \$500,000 increase included in the 2008–2009 budget will benefit both existing and new programs, including those offered by the NWT Arts Council, the Support for Northern Performers program and the Northern Arts and Cultural Centre. Community heritage centres, cultural organizations and various cultural projects around the territory will also receive increased funding in recognition of the important role they play in supporting and presenting the arts and culture.

Education, Culture and Employment has also introduced a new northern theatre arts funding program with a focus on NWT youth. The budget is \$50,000 for this program.

The Government of the Northwest Territories recognizes the many benefits of the arts to our communities and also to our people. These benefits include economic benefits such as employment for technicians, craftspeople and other arts professionals. They also include social and cultural benefits such as allowing people of all ages to come together and celebrate their communities through performances or festivals.

Increasingly it is recognized that the arts also provide health, cognitive and attitudinal benefits to Northerners of all ages. Education, Culture and Employment will continue to work with Industry, Tourism and Investment to support the arts and ensure Northerners have access to these benefits through activities set out in the NWT Arts Strategy.

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

Members' Statements

MEMBER'S STATEMENT ON ACCESS ROAD TO THE AKLAVIK GRAVEL SOURCE

Mr. Krutko: Thank you, Mr. Speaker. I rise once again begging for an access road to the Aklavik gravel source. I believe that's what it's going to take to get this done.

A motion was passed unanimously in this House. Yet, Mr. Speaker, after meetings with the community and the Minister of MACA, along with the Minister of Finance, in the community of Aklavik where they discussed this issue last spring.... The

community has done everything that we were asked to do: formulate a planning committee with people representing the hamlet, the band and the community; work with the departments of MACA, Transportation, and the Inuvik region. I notice nowhere is there any mention in any documents I have seen lately with regard to those expenditures.

I was promised in this House by the previous Minister of Transportation that there was some \$500,000 in federal infrastructure funding that was announced for research and development. Those dollars were going to be forwarded to the community of Aklavik to look at developing a proposal so that they can have a similar arrangement to what they were able to accomplish in Tuk.

Again, I beg the Ministers across the hall. I can see some action on this matter. What is it going to take by way of a motion, a petition, or do I have to jump up and down? I'm not too sure.

I believe this issue is long outstanding. There are capital projects in the future budgets for the community of Aklavik by way of hiring for the extension of their airports. We're talking about replacing the Moose Kerr School in the future. We are going to need gravel sources to do these projects. We're looking at 2012–2014, which isn't that far off.

I'd like to ask the Premier if he can possibly see some movement on this matter in regard to this item. I am again standing up here for the second time raising this issue from previous Assemblies.

With that, I will be asking the Premier questions on this matter in regard to what we can do.

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

MEMBER'S STATEMENT ON MCCRANK REPORT ON RESOURCE DEVELOPMENT REGULATORY PROCESS

Mr. Bromley: Thank you, Mr. Speaker. The Government of Canada contracted Neil McCrank to review the regulatory process for permitting of non-renewable resource development projects in the North. Mr. McCrank focused the report on the NWT process.

After reading the report and several responses to it, I am perplexed about why it was even done. In its essence the McCrank report simply duplicates the 2005 environmental audit — a much, much more thorough assessment conducted by Northerners and more solution oriented. Incidentally, the audit was also the legally required process for improving the integrated resource management system in the NWT.

The McCrank report repeats conclusions of the environmental audit and the MVEIRB and board forum self-assessments and states the obvious: we need comprehensive land use planning throughout the NWT, and we need to implement the Cumulative Impact Monitoring Program. However, the report is essentially silent in grappling with the real issues of how to actually get this done.

McCrank's call for a complete restructuring ignores the fact that the governance and regulatory system has evolved in the NWT as a result of constitutionally entrenched land claim agreements developed in response to Northerners' concerns and desire for input on these processes. Restructuring this is not on.

Mr. Speaker, we understand the need for evaluation of new processes and procedures in order to learn from our experience. The MVEIRB and others have often highlighted the consequences of inadequate funding; for example, lack of opportunity to evaluate the implementation of measures arising from approved environmental assessment. Lack of funding for the participant process is also a significant capacity issue for aboriginal and community organizations and NGOs — one acknowledged by most reviews but again not noted in the McCrank report despite submissions on this.

Our Premier has called this report thorough, honest and accurate, but I cannot subscribe to this assessment, especially the thorough part. I understand a more critical review may be in the making. Along with many Northerners I await this assessment with interest. Let's ensure that the GNWT supports an approach focused on consultation and community involvement — the uniquely northern approach outlined in the 2005 audit — rather than putting a rubber stamp of approval on a report that seems out of touch with northern values and institutions of governance.

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

MEMBER'S STATEMENT ON STANTON HOSPITAL MASTER DEVELOPMENT PLAN

Mr. Abernethy: Thank you, Mr. Speaker. Yesterday the Minister of Finance tabled the Capital Estimates for the 2009–2010 fiscal year. I read through the document last night, and I'm looking forward to discussing and debating the document later this afternoon. However, during our review of the tabled document I came across something that I found disturbing; specifically, the disappearance of the Stanton Master Development Plan.

In the 2008–2009 Main Estimates the Stanton Master Development Plan was identified as the \$17.5 million project commencing during the 2009–10 fiscal year with an initial investment of \$500,000 in that fiscal year. In today's Capital Estimates for 2009–10 there is zero reference to the Stanton Master Development Plan.

The main reason I'm disturbed by the exclusion of this is that during the May–June session there were significant amounts of dialogue between the Minister of Health and Social Services and Members on this side of the House concerning the Stanton Master Development Plan. At that time the Minister committed to following through on the development and finalization of the Stanton Master Development Plan and made it one of the priorities of the newly appointed public administrator for Stanton. The master development plan has been in the works for a very long time, and this Minister put a lot of weight on its importance.

With no plan what is the Minister planning now? Without a master development plan how does the Minister intend to address the ongoing physical challenges of that authority? Where will the solutions come from? Who will be making the decisions, decisions based on what research? During the last session the Regular Members made it very clear that we will have great difficulty in recommending future approvals of capital projects for Stanton in the absence of a master development plan, a plan that was promised.

It's been less than four months since we last talked about this master development plan at Stanton in this House. Four months ago it was an important part of the solution for Stanton. Today it doesn't exist at all. I find that incredibly interesting and incredibly frustrating.

Later this afternoon I will be asking the Minister of Health and Social Services some questions on this deleted master development plan and the future of the Stanton Territorial Health Authority.

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

MEMBER'S STATEMENT ON BISON HERD MANAGEMENT IN FORT LIARD

Mr. Menicoche: Mr. Speaker, today I rise to raise my continued displeasure with the free-roaming herd in the community of Fort Liard and also to extend a welcome to the Minister of ENR to come to Fort Liard to continue his tour. I have raised this issue before on the promises of a bison management plan. My main concern is the safety of children, as the herd does freely roam through the town.

I would like to reiterate the concerns. A huge concern for the residents is damage that occurs to personal property such as fencing, gardens, automobiles and all terrain vehicles. As well, there's the issue of reimbursement for damages; because government brought these buffalos there, they should be responsible for paying for the damages to private property. I support this. Yes, the government is responsible.

I think our government has to work with the community of Fort Liard to come up and work with them on this bison management plan that can address these concerns. I know some solutions may be expensive, but some solutions may also be very affordable, and they must be explored. This is what the community wants: dialogue and action.

I will ask the question to the Minister of Natural Resources for an update and actions to date. Mahsi cho.

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

MEMBER'S STATEMENT ON SUPPORT TO ENTREPRENEURS AND ECONOMIC DEVELOPMENT POLICY

Mr. Ramsay: Thank you very much, Mr. Speaker. Today I'd like to address the Minister of ITI's statement from yesterday when he announced the arrival of the new Support to Entrepreneurs and Economic Development Policy, or SEED, which officially came into effect on September 2 of this year. He stated that it was in response to a major review of the department's business programs, which was completed in 2006.

I would like to thank the Minister for acknowledging the work of the EDI committee. We were consulted and have allowed the policy to move forward. But what I want to tell you today is what the Minister didn't say he heard during those consultations. There were concerns raised over the new policy, simply being that the old BDF was given a new paint job, topped up with some more money and called SEED.

At the end of the day will this new SEED policy take root? I highly doubt it, Mr. Speaker. There are no targets. There is no delivery mechanism, even though the last two governments have both tried to achieve the one delivery model for economic and business development in our territory. The fact is that this \$2.5 million will start up some businesses, but how many will survive is the bigger question. Until the government comes up with a plan to address the high cost of operating a business in the small communities, especially utility and personnel costs, we might as well take the \$2.5 million and throw it out of a plane.

Where is BDIC in all of this? What are the government's intentions in dealing with BDIC? What is the ministerial direction today for BDIC? I was surprised to recently hear about the proposed ministerial advisory panel on economic development. At first glance it sounds like it would be nice, like it would work, but has the Minister forgotten about a duly formed and knowledgeable BDIC board and chairman, which to me would serve this purpose?

Today BDIC is losing staff. It lacks focus. It has no direction from ITI or this government. To me they're simply propping up subsidiaries and managing bad accounts. Is this what the government really wants for its business development corporation?

The territory needs a meaningful, comprehensive and coordinated suite of services for economic and business development in our territory. Mr. Speaker, I'll have questions for the Minister at the appropriate time. Mahsi.

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

MEMBER'S STATEMENT ON DIAMOND JENNESS SECONDARY SCHOOL

Mrs. Groenewegen: Thank you, Mr. Speaker. Like my colleague Mr. Krutko I stand again in this House today begging. Mr. Krutko is begging for his gravel source; I'm begging for the renovation of our high school.

Anyone who has visited Hay River has seen our famous high school. The Diamond Jenness school was designed by Douglas Cardinal and constructed in 1972. That makes the school 36 years old, older than some Members of this Legislature. That makes it time for major renovations.

Students and teachers complain about the air quality. They are unable to control the extreme temperatures in the school. The heating system does not work well in the cold weather. The ventilation system does not circulate air in warm weather. The windows do not open at any time. The water pipes were soldered partly with lead. For safety reasons, water quality has to be checked on a regular basis. Most people refuse to use the school water fountains, because the water doesn't get cold enough to drink, and when it first comes out, it's a lovely orange colour. The hot water pipes are thin from corrosion and are constantly being repaired. The roof leaks, and there is likely mould growing in the walls. The administrative offices are in the wrong location and cannot control access. Classrooms are too small and don't meet modern standards. Last year we had problems with the old asbestos insulation. These are just a few of the problems at this school. I could carry on listing the

problems for a long time. There is a very thick document of a technical review, which I have waved around this House before.

Major renovations to the school are very overdue. The renovation project first appeared in the capital plan in 2001. The capital plan indicated the renovation project would start in '07–08 and finish in '09–10. However, whenever this project gets within two years of its start date, the project slip-slides away. Last year the project was red flagged. We thought that was a good thing, but actually red flagging meant it showed up on the reduction list and disappeared again. This year the project shows up in the capital plan starting in 2010–11 with a small investment and really getting underway in '11–12.

The government is proposing a very large capital budget this year. Hay River residents cannot understand why many other projects have been funded and this one gets delayed year after year. Tourism and parks projects get funded; huge numbers of transportation projects, highways and airports get funded. I do not understand why year after year the government rates these projects more important than renovating the Diamond Jenness Secondary School in my constituency.

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

MEMBER'S STATEMENT ON LACK OF PUBLIC WASHROOMS IN DOWNTOWN YELLOWKNIFE

Mr. Hawkins: Thank you, Mr. Speaker. The issue I wanted to raise today on behalf of my riding is the concern about the lack of public washrooms. People need to be people, and people need personal dignity, and they need to be normal just like you and I.

In the morning when the homeless are nudged out of the door — that is, if they're the lucky ones — they are faced with the same issue, just like everyone here. Businesses have locked their doors and refused to give out keys for various reasons, some justified and some less justified. Having someone deal with bodily functions behind cars in the downtown parking lots, behind buildings, behind dumpsters, and even sometimes in dumpsters is not a symbol of our finer society achieving its better moments in history. Has all been lost, I wonder. Has society given up on them? I start to wonder about that too.

Mr. Speaker, the issue really is: has this become normalized? I certainly hope it hasn't. We have to ask ourselves what we are elevating this issue with. Are we dealing with this, or are we ignoring it? The homeless, as well as some of the other street

people who spend time at the Salvation Army and other places, need a place to be able to turn to. Businesses are not sharing this opportunity.

Our government needs to stand up to the pressure and all the silly little jokes of not realizing that this is a real issue. Those people should be ashamed of themselves. I believe this public government has a responsibility to develop an approach that will help people. Mr. Speaker, if we are truly the society we promise to be, we should start showing it.

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

MEMBER'S STATEMENT ON HIGH COST OF FOOD IN TU NEDHE COMMUNITIES

Mr. Beaulieu: Mahsi cho, Mr. Speaker. [English translation not provided.]

Mr. Speaker, on numerous occasions I've talked about the impact of the high cost of living for residents of Fort Resolution and Lutselk'e. Today I would like to focus on the high cost of food in the packets, supplements, store bought foods or traditional foods for Tu Nedhe communities.

Mr. Speaker, in small communities like Fort Resolution and Lutselk'e little or no competition in the local economy results in higher food costs. Couple this with transportation costs and Tu Nedhe families are hit with a double whammy. In addition to this, over the last year gasoline prices have gone up. This has had a huge impact on the traditional harvesting practices of many of my constituents. Residents are now forced to think twice about making a trip out on the land to go hunting.

Mr. Speaker, with the high price of gas and limited household incomes families must now make a decision to buy meat from the store or to go for a hunt. For many families doing both is no longer an option. Add to this the high costs of fuel for heating their homes and higher power rates and people are in a real catch-22 when they are trying to put food on their tables.

Many of my constituents rely on traditional foods and have done so for generations. High gas prices are now threatening this important traditional practice. Something needs to be done. Assistance in some form to offset the high price of the gas for these subsistence hunters must be provided. We all know the health benefits to the whole community when families are able to include traditional food as part of their regular diet.

Mr. Speaker, I cannot stress enough the impact that the high cost of living is having on the Tu Nedhe constituents. It is having an immediate and negative impact on the harvesting of traditional foods by subsistence hunters. With an aboriginal population

of almost 90 per cent in Fort Resolution and 95 per cent in Lutselk'e traditional foods and traditional harvesting provide all kinds of benefits for many families. This is being threatened. Help is needed now.

Later today I will have questions for the Minister of Environment and Natural Resources.

Mr. Speaker: Thank you, Mr. Beaulieu. The honourable Member for Nunakput, Mr. Jacobson.

MEMBER'S STATEMENT ON UNITED STATES BAN ON IMPORTATION OF POLAR BEAR HIDES

Mr. Jacobson: Thank you, Mr. Speaker. Today I would like to use my Member's statement to discuss the decision made by the United States Fish and Wildlife Service to ban the importation of polar bear hides into their country.

In May 2008 the United States government listed the polar bear species as threatened under the Endangered Species Act. This action prevents importation of polar bear hides into their country. Because of this provision under the U.S. Marine Mammal Act, this decision will effectively wipe out the sport hunting industry in the communities in my riding.

U.S. groups are exploiting the polar bears as a symbol for climate change and a lightning rod to globalize lobbying efforts and opposition to the oil and gas industry in the U.S. and Canada.

Mr. Speaker, the public in the South believes that polar bear populations in the NWT are in grave danger. We have over 2,500 polar bears in the Northwest Territories, and they are a healthy population. This is why Canada does not have the polar bear listed on its species of concern.

In the Northwest Territories the management of polar bears is coordinated through the Government of the Northwest Territories with the Inuvialuit co-management boards. This arrangement was established under the Inuvialuit Final Agreement. In the NWT hunting seasons, quotas and protection of family groups are enforced by law. Within the total quota, the hunters and trappers organizations decide how many tags will go to the allocated sport hunts and how many will be given to local hunters for subsistence hunting.

Mr. Speaker, I cannot make it any clearer: we manage our polar bear herds very well, because they are important to my people. An average of 37 guided sport hunts are conducted for polar bears in the Arctic region. U.S. hunters contribute about \$1.6 million annually to our communities, where up to 40 per cent of families live on less than \$25,000 per year. These are large numbers for my constituency of only 3,500 people.

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

Unanimous consent granted.

Mr. Jacobson: Thank you, Mr. Speaker. Thank you, colleagues. This decision made by the United States government will have serious impacts on my people.

I would like to thank Minister Bob McLeod for asking me to join him this summer in Washington with my colleague Mr. Krutko. In Washington we met with various senators and congressmen in order to share my people's message that the polar bear populations in Canada are healthy.

I know that with the pending U.S. election we are unable to get any changes to the ruling, but I want to let my people know that I will continue to work with the Minister of Industry, Tourism and Investment to get this decision reversed. Ultimately, Mr. Speaker, my aim is to persuade the U.S. government to introduce an amendment to allow import of polar bear hides into the U.S.

Mr. Speaker: Thank you, Mr. Jacobson. The honourable Member for Frame Lake, Ms. Bisaro.

MEMBER'S STATEMENT ON CREATION OF A COMMUNITY INFRASTRUCTURE FUNDING PROGRAM

Ms. Bisaro: Thank you, Mr. Speaker. Communities are the backbone of our territory and our economy. With the New Deal that our Department of Municipal and Community Affairs has put in place over the last few years, some of our communities are struggling to manage their new — I hesitate to say it, but must — downloaded responsibilities. Small communities in particular lack the capacity to adequately handle this additional work. There are capacity gaps in human resources, skilled workers — like everywhere else across the country — and specialized knowledge. Dealing with contracts is a perfect example.

I must give credit to MACA, which has provided some assistance to date. But what MACA can offer is not enough to fill the gaps that communities are experiencing. The needs of our communities are great, Mr. Speaker. Not only are they responsible for the basics — roads, water and sewer and garbage — but they are expected to provide many other programs and services for their residents as well.

Municipalities see demands for social issues as well: housing, health, seniors and eldercare and so on. As any municipal councillor will tell you, there is a never ending list of things that could be done if only they had the money. Just like us here at the Legislative Assembly, councils struggle to meet the

needs of their residents on limited funds. There is never enough to do it all.

Mr. Speaker, one way this government can assist our community government is to establish a revolving, repayable low or no interest infrastructure fund which communities can access for assistance in financing their high cost infrastructure needs. Things such as water treatment plants, sewage lagoons or sewage treatment plants, new roads or road replacements, landfill sites, deferred maintenance: the list can be endless. Yes, there are funds out there already, but these funds often have stringent guidelines, which don't fit the projects that need doing in the community.

Our own NWT Association of Communities, which has an excellent working relationship with MACA, by the way, can advise the government of the applicable parameters for an NWT infrastructure fund — parameters that will suit our communities and enable, rather than hinder, large municipal projects.

I hope the Finance Minister will contact the NWTAC to discuss this idea. I look forward to seeing this fund identified in the upcoming operations budget.

Mr. Speaker: Thank you, Ms. Bisaro. The honourable Member for Sahtu, Mr. Yakeleya.

MEMBER'S STATEMENT ON COST OF LIVING SUBSIDIES FOR ELDERS IN SMALL COMMUNITIES

Mr. Yakeleya: Thank you, Mr. Speaker. Over the weekend I had the opportunity to host three elders from the Sahtu who were in Yellowknife for the Roman Catholic district celebration for the bishop.

In the time I spent with the elders and my family here, I had the opportunity to talk with the elders about living in the small communities. From time to time people come to Yellowknife and go back to the communities. They see the opportunities they have here in Yellowknife. They couldn't believe the prices they pay at the OK Economy or the Co-op, or the gas, or the opportunities they have here.

They provided my wife and me with some dollars to go the store to buy some groceries for them. We did buy the groceries, and they couldn't believe the amount of food they bought in terms of dollars. They said: if we had this in Tulita, we would have paid \$400, but for the amount we have given you, we have a lot of food.

The elders were talking about that: how lucky we are in the larger centres to have support like this. They thought about this for a while, and I said: how it is back in the community? They said: we're on fixed incomes or low incomes; we have support from the government, but it is very difficult for us.

In small communities their way of life of growing up on the land is completely different from today. Mr. Krutko talked about this in the recent Hansard, about the people wanting to stay in their communities, in their region, with home care. Their culture and their values are very different — very different — in the Sahtu. No different from the Gwich'in, the Inuvialuit or any other aboriginal community that has these beliefs. We want our people in our communities.

Mr. Speaker, in the Sahtu we have over 200 elders, and we are looking at the things we can do for them. We have to put them at the forefront. It is our obligation as people from the community to put our elders forward and give them respect, as they raised us in the past with their elders' values.

I am going to be asking a question of the Minister responsible for Seniors on how our elders are taken care of in the Northwest Territories. It's most important to the Sahtu people. They are paying the high price of living in the region without any roads and modes of transportation that would make it easier for us. In this day and age, Mr. Speaker, it's a crying shame.

Mr. Speaker: Thank you, Mr. Yakeleya. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. The honourable Member for Nunakput, Mr. Jacobson.

Recognition of Visitors in the Gallery

Mr. Jacobson: Thank you, Mr. Speaker. Today it is surprising to see one of my constituents, Mr. Ernest Pokiak, and his daughter Violet Nokšana. Welcome to the House.

Mr. Speaker: Thank you, Mr. Jacobson. Item 6, acknowledgements. Item 7, oral questions. The honourable Member for Tu Nedhe, Mr. Beaulieu.

Oral Questions

QUESTION 443-16(2) FUNDING FOR YOUTH PROGRAMS

Mr. Beaulieu: Thank you, Mr. Speaker. On October 6, 2008, in my Member's statement I talked about this government's limited support for youth in smaller communities. Many of our smaller communities struggle daily with little or no youth budgets. Municipal budgets are already strained with O&M and delivering essential services.

Mr. Speaker, I have a question for the Minister responsible for Youth. I'd like to ask the Minister: can he advise this House what the current level of funding specifically earmarked for youth, not counting education budgets, is for 2008–09?

Mr. Speaker: Thank you, Mr. Beaulieu. The honourable Minister of Municipal and Community Affairs, Minister McLeod.

Hon. Robert McLeod: Thank you, Mr. Speaker. The budget for 2008–2009 for Youth was approximately \$1.15 million broken out into three different categories: the NWT Youth Core, the Youth Contributions Program and the Youth Centres Initiative.

Mr. Beaulieu: During my visit to the communities this past year I heard from the youth in both communities about how they feel and what they need. "There is not much for us to do" is often the comment.

Mr. Speaker, can the Minister tell this House what the plans are, if any, to increase the budget in the Youth portfolio for 2009–2010?

Hon. Robert McLeod: The 16th Legislative Assembly has identified youth as a priority. With the upcoming business plans I'm sure there will be an opportunity to look at increasing the Youth budget. I agree with the Member. I remember that the youth are a priority. If there's an opportunity to increase funding for youth programs, I think it's something that should be looked at.

Mr. Beaulieu: Mr. Speaker, will the Minister commit to conducting a comprehensive review of how Youth budgets are currently allocated, specifically in the Tu Nedhe communities — if there are any planned budgets going into those two communities of Lutselk'e and Fort Resolution?

Hon. Robert McLeod: As part of my familiarization with all the monies that are available to Youth, I would commit to conducting a review. It ties in, in part, to familiarizing myself with the Youth department and seeing what else there is that we can do out there. I would commit to having a review of the youth programs and the Youth funding.

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

Mr. Beaulieu: Thank you, Mr. Speaker. Will the Minister commit to working with me and each of the Tu Nedhe communities of Fort Revolution and Lutselk'e to develop a youth strategy? I feel that a youth strategy is important. I define the youth strategy as a comprehensive, community based approach to investing in Youth budgets, programming, infrastructure and other youth related support.

Hon. Robert McLeod: I would make that commitment to work with the Member for Tu Nedhe and every other Member on the other side of the floor to come up with a good youth strategy. Like I said earlier, it is a priority of the 16th Assembly, and it is a strong personal belief of mine that we have to

put youth as a priority and see what we as an Assembly can do for them. I would make that commitment to the Member: I will work with the Member for Tu Nedhe plus all Members on that side to come up with a youth strategy.

Mr. Speaker: Thank you, Mr. McLeod. The honourable Member for Weledeh, Mr. Bromley.

QUESTION 444-16(2)
GNWT RESPONSE TO MCCRANK REPORT

Mr. Bromley: Thank you, Mr. Speaker. I'd like to follow up on my Member's statement by asking whether — I believe it's the Minister of ITI or ENR looking after the regulatory process here — the important conclusions of the environmental audit of 2005 are being followed up with some very important and critical recommendations requiring additional resources, the implementation of the cumulative impacts program and so on. Are they actually getting done? We're in 2008; the next review will be in 2010. What's our progress on that?

Mr. Speaker: Thank you, Mr. Bromley. The honourable Minister of Environment and Natural Resources, Mr. Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Speaker. Work is being done in that area. As well, work continues to be done to address and analyze and be able to give a thorough response to the McCrank report, about which we want to deal with the new government once the election is over. That work is expected to be done for the McCrank report sometime in November, I believe.

Mr. Bromley: Just for clarification, I want to be sure I got that right. The report that's coming out at the end of October, soon after the election, will include an assessment of where we're at with the 2005 audit as well as address the McCrank report. Is that what I'm hearing? In one report?

Hon. Michael Miltenberger: Mr. Speaker, very clearly there is a link. We're going to do the analysis, look at the gaps and address our specific recommendations on going forward, as well as raise some of the concerns that we do have with the McCrank report. We expect and anticipate that it will be thorough.

Mr. Bromley: Mr. Speaker, the point I certainly agreed with in the McCrank report has already been highlighted by the boards and agencies themselves and by other reviews and the environmental audit. But a big one is the lack of funding to our agencies, especially the Mackenzie Environmental Impact Review Board. Will that be addressed in the report, and is this government lobbying to get that big gap taken care of so we can do a better job there?

Hon. Michael Miltenberger: Mr. Speaker, clearly, those are responsibilities of the federal government, but we share the concern that there are things like cumulative impact work that are identified and are not properly funded. There are other concerns that some of the boards aren't adequately funded, as well. We'll be looking at all those issues as we come forward.

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

Mr. Bromley: Thank you again, Mr. Speaker, and thanks to the Minister for those comments. Probably everybody agrees to the recommendation that we get some land use planning and land use frameworks underway. I want to compliment the Minister and this government for getting that started. Hopefully, we'll see some results there.

I want to stress that to the extent we are in deficit here, that these regulatory programs are underfunded. While we seek devolution, we will be left with those deficits, because along with devolution and responsibility come all those deficits in funding. We need to get these gaps filled before that transfer happens.

I'd like to hear again what the Minister will do to ensure appropriate levels of funding so they can do their job and participants and communities can participate in the process as required under the legislation and as the federal government has committed in that legislation.

Hon. Michael Miltenberger: We will fund the programs we are directly responsible for to the best of our ability. As well, we've taken on new initiatives like the water strategy and the proposed land use framework that's currently under development. Those are all being dealt with under our new strategic initiatives. We, of course, are committed to working with the federal government and all the other stakeholders to make sure we continue to work, once the election is over, for adequate funding for the regulatory regime that's in place.

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

QUESTION 445-16(2)
STANTON TERRITORIAL HOSPITAL
MASTER DEVELOPMENT PLAN

Mr. Abernethy: Thank you, Mr. Speaker. My questions are in follow up to my Member's statement and are directed to the Minister of Health and Social Services.

During the May–June session the Minister committed to following through on the development and finalization of the Stanton Master Development Plan and made it one of the priorities of the newly

appointed public administrator for Stanton. Today in the 2009–2010 Capital Estimates there is no master development plan. The Stanton Master Development Plan is completely missing.

I was wondering if the Minister could tell me why the Stanton Master Development Plan was eliminated and how she intends to move forward with finding some of the solutions required for Stanton.

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 opportunity to update the Members on this capital project.

In May, when the new public administrator of Stanton was appointed, one of the tasks he was given by me was to look at the master development plan and report back to me on it. What I found out when he came to me is that they are working on a \$200 million plan for Stanton. Obviously, that was not a workable plan. I sent him back to work, and he and the deputy minister and the planners went back to work.

They came back in September with something that's more manageable at \$50 million. It will address all the seven areas we have asked them to address: emergency, ICU, diagnostic imaging, rehab, medical daycare, the aboriginal wellness and spirituality centre, as well as working out the issues surrounding the specialty services. We have a much more workable and affordable plan, and I'd be happy to share that information with the committee and the Members.

Secondly, the Member is aware that at the wishes of all the Members here, we are doing a different capital planning process, where only projects with a very specific plan are making it into the capital plan. That's what's reflected in this year's budget. But with this new plan for Stanton we expect that it will make its way back into next year's plan as we move forward.

Mr. Abernethy: I thank the Minister for that information. The \$210 million sounds a little excessive — almost enough to build a new hospital — so I'm kind of glad we're not going forward with that.

At the same time, Stanton is facing challenges, both physical and practical. To remove Stanton from the capital plan now seems a little short sighted. We need to move forward with Stanton. We need to move forward pretty quickly in order to ensure that we have the best facility. That will lead to things like good morale and whatnot in the facility itself. If not here, when can we expect it?

Hon. Sandy Lee: I'm happy to advise the Members that the new plans, which are a lot more affordable and workable, are being shared by the public administrator with the employees. It would involve short term measures of moving admin offices out of Stanton, which will create a lot more space. We are doing work in the emergency facility there to deal with confidentiality and privacy issues. Building of the dementia centre will address the crowdedness in extended care. And there's new work being done in the consolidated clinic that will deal with primary care services.

There's a lot in the mix that would impact the space needs of Stanton, and all these puzzles are working together to address the basic needs of Stanton in the most economical and efficient way.

Mr. Abernethy: Once again, that's all great news. I'm actually quite happy to hear that. I'm curious as to when these things are going to start to happen. Are these things imminent, or are they in the 2009–2010 plan? When are we actually going to see some movement on some of these space issues? I'm glad to hear they're happening. I think they need to be done, but can you give us a bit of a timeline?

Hon. Sandy Lee: As the Member is aware, the dementia building is being built. The consolidated clinic has gone to tender, and I believe the tender has been awarded. The administrative offices, with about 35 staff, are going to be moved out of Stanton into what's now known as the old Extra Foods building as of December. There is other work being done to maximize the use of the building and to concentrate the renovation of the building on what's most necessary and what has to be at that hospital, which is supposed to be an acute care facility.

We are looking at lots of other measures, and we are doing that in conjunction with the staff and management of the hospital. They're on board with that. I'd be happy to give a full briefing on that to the Members if they would like.

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

Mr. Abernethy: Thank you, Mr. Speaker. I look forward to the briefing. If we can get some idea of when that briefing would be, that would be great.

Hon. Sandy Lee: Planning is ready, and we have the presentation material. Any time the Members would like to have it, we'll be happy to provide it.

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

QUESTION 446-16(2)
TIMING AND COST OF
SCHOOL INFRASTRUCTURE PLAN

Mrs. Groenewegen: Thank you, Mr. Speaker. At the risk of sounding like a broken record, it is time we get the renovation on the Diamond Jenness Secondary School done. This school is long past its mid-life crises. We need to make this project happen so that the children of Hay River, the students — and a couple of them are right here in the Chamber today — our young people, can have a healthy and safe learning environment and our teachers can have a healthy and safe workplace.

Mr. Speaker, in my Member's statement I talked about how the capital plan has been pushed back. I'd like to ask the Minister of Education, Culture and Employment why the renovations for Diamond Jenness Secondary School were deferred, delayed, postponed.

Mr. Speaker: Thank you, Ms. Groenewegen. The honourable Minister of Education, Culture and Employment, Mr. Lafferty.

Hon. Jackson Lafferty: Mahsi, Mr. Speaker. At this particular school, the Diamond Jenness, there's been some work on the technical status evaluation report that was worked on in 2003, 2006 and 2008. There's also an educational plan that is underway.

We do have our consultants going through the community tomorrow to meet with the DEA to go over the materials that need to be discussed on the educational plan. That report will be available to the community DEA and to the Member as well. Those are the works that have been undertaken with the capital projects we will be discussing here. We need to have a plan in place before we proceed with a major project.

Mrs. Groenewegen: We've had many years to study this problem and get a plan in place. The fact is that this government has a large capital budget going forward. A document was tabled yesterday in this House showing what the priorities of that capital budget are. I want to know why Hay River is not being treated as a priority.

I can remember at the candidate forum in Hay River reassuring the people that this was in the capital budget. How can we go back and face our community now? They ask why. Why is Hay River not getting the attention it needs?

To the subject of the volume or size of our capital budget, I have a couple of questions about some of the other educational facilities in here. Has a contract been awarded yet for the Samuel Hearne/Sir Alexander Mackenzie School project in Inuvik? Has the contract been awarded?

Hon. Jackson Lafferty: Yes, there is a contract that's been awarded to work on the Inuvik school.

Mrs. Groenewegen: I'd like to know how much the contract that has been signed and awarded is for.

Hon. Jackson Lafferty: I can certainly share that with the Member. I don't have it in front of me today. But it does break down on whether it will be the foundation, the actual structure of the building itself. There are many aspects of the project itself, so we need to have the breakdown of the actual cost of the capital project.

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

Mrs. Groenewegen: Mr. Speaker, I'd like to ask the Minister: isn't it true that the capital project for the Inuvik school is a negotiated contract in the neighbourhood of \$140 million?

Hon. Jackson Lafferty: I'm not sure where that \$140 million is coming from, but I can provide that information to the Member. I need to go back to my department to get the actual figures of the negotiated contract, if that's a negotiated contract in the community of Inuvik. We need to have that information before us to know if it's \$140 million or if it's another number.

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

QUESTION 447-16(2)
SUPPORT TO ENTREPRENEURS AND
ECONOMIC DEVELOPMENT STRATEGY

Mr. Ramsay: Thank you, Mr. Speaker. I have questions today getting back to my Member's statement from earlier to the Minister of ITI. Earlier I was talking about the new SEED program and how, in my estimation, it's the old BDF and Grants to Small Business dressed up under a new name called SEED, topped up with some dollars.

The first question I have for the Minister is: has ITI got any targets for the SEED program, and how are we going to measure success from that program and that additional funding?

Mr. Speaker: Thank you, Mr. Ramsay. The honourable Minister of Industry, Tourism and Investment, Mr. Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Speaker. Using the Member's example, not only did we give it a new paint job; we added a new fuel efficient engine with some new tires.

The BDF has been one of our best and most successful vehicles to assist small business. The new SEED policy.... We didn't establish targets, because we needed to provide funding on an

application basis to different regions. We will continue to measure it based on jobs that are created and the number of businesses that are started up.

Mr. Ramsay: As long as we're not using that new vehicle the Minister talks about by putting a couple of crash test dummies in and smashing it against the wall.

Mr. Speaker, I want to ask the Minister why the government continues its reluctance to move toward a one window model to provide support, loans and programming to businesses for economic development in our territory.

Hon. Bob McLeod: The BDIC was only put into effect approximately four years ago. The SEED policy we just introduced on September 2, 2008. We still feel that a protocol arrangement between ITI and BDIC is the way to go. It gives us the greatest flexibility, the greatest ability to meet the needs of our clients, which are the small businesses of the Northwest Territories.

Mr. Ramsay: I want to ask the Minister if he knows how many businesses have been created or started up in the small communities. I'm speaking specifically of communities outside regional centres. How many of those have received business start-up funding in the past ten years, and how many are still in existence? Can the Minister commit to getting us that level of detail?

Hon. Bob McLeod: The Support to Entrepreneurs and Economic Development policy program has been established, is geared to the smaller communities and is based on the consultations that we undertook. I'll be pleased to provide the annual reports to the Member that would indicate how many businesses were started up in these small communities.

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

Mr. Ramsay: Thank you, Mr. Speaker. My thoughts on this are that with the SEED program, the \$2.5 million.... We can take that out and scatter it around the territory, but if we're not looking at the cost of doing business in the small communities — and I'm speaking specifically about utility costs and personnel costs and the costs of operating a business day to day — then we're really not supporting economic activity in our territory.

I'd like to ask the Minister: whether it's BDIC or whether it's his department, has anybody gone out and looked at the cost of actually doing business in a small community so that we can get some real economic activity happening in our small communities?

Hon. Bob McLeod: I think we should give the SEED policy an opportunity to operate, at least for a short period of time, maybe for a year or so. The whole express purpose for setting up the new SEED policy was what we heard in consultation. What we heard from small businesses in level 2 and level 3 communities indicated that this is what they needed to be successful, and that's how this whole SEED policy program has been designed and set up. Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Mr. McLeod. Oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

QUESTION 448-16(2)
ACCESS ROAD TO AKLAVIK
GRAVEL SOURCE

Mr. Krutko: Mr. Speaker, everyone knows that Aklavik is prone to flooding and has had several floods in the last number of years. Also with the challenges in regard to global warming and melting, permafrost, structural challenges in our communities, maintenance of roads, public infrastructure, implementing new capital projects in regard to water treatment plants, airport extensions, shoreline erosion, and dealing with the replacement of the Joe Greenland seniors facility.... These are just some of the capital projects that we are looking at over the next number of years.

But, Mr. Speaker, as we all know, in order to construct anything in communities, you need gravel. In regard to the flood that took place a couple of years ago in Aklavik, we spent \$1.4 million to barge gravel from Inuvik, yet the gravel source is 20 kilometres from the community. Also, it is the linkage to get Aklavik connected to the Dempster Highway.

There was a motion passed in this House, unanimously supported by Members on this side of the House, to have this project move forward along with the project for Tuktoyaktuk in regard to access to their gravel source. I'd like to ask the Premier: could he tell me exactly how much weight that motion had in this House, and what is the government doing to ensure that the motions passed in this House send direction to Cabinet so they move on some of these matters?

Mr. Speaker: Thank you, Mr. Krutko. The Hon. Premier, Minister Roland.

Hon. Floyd Roland: Thank you, Mr. Speaker. The motions of this House do carry weight. We review our options on an annual basis and weigh out, with the funding available, what projects can proceed.

On a specific gravel source to Aklavik, the Member raised this issue with me, as well, in the last session. I sat down with the Ministers on our side and committed them to work with the Member in the

community. I understand the appropriate Ministers went into Aklavik this summer, had a meeting, and there were ongoing discussions there. There was a commitment to look at, as the Member pointed out, through the Building Canada Fund, the research and development portion of that as one of the possible avenues of trying to do some preliminary engineering work.

Mr. Krutko: Mr. Speaker, in the meeting that the Premier mentioned in Aklavik, there was a commitment for \$50,000 for the committee to begin its work to develop a report so that they can look at the alignment of the access road and the gravel source itself. They would develop a proposal and bring it forward so that we can be able to access the federal infrastructure funding with a proposal moving forward to Ottawa.

I'd like to ask the Premier: is he aware if that commitment has been lived up to in regard to the \$50,000 for the committee and the departments to develop that report?

Hon. Floyd Roland: I am aware that the department is working with the community. I understand, in fact, that a meeting will be held in the community next week, I believe on the 15th of October, to have further discussion in this area. At that point, they'll have to decide how they can move this further ahead.

Mr. Krutko: Mr. Speaker, as we all know, access for our communities, but more importantly access to gravel sources, is fundamental, especially to communities that are prone to flooding. With global warming these challenges are going to get worse before they are going to get better. We are seeing more and more floods every year. Communities are being affected; forest fires.... I think that as a government we do have to be proactive, reactive. So I'd like to ask the Premier: would he commit to ensure that we have something ready to go to the federal government, hopefully no later than December?

Hon. Floyd Roland: Mr. Speaker, the Building Canada Fund process is in the system with the Minister responsible for the infrastructure department, Minister Michael McLeod. He committed, through the process, to continue to do this work. I can't say if we'll have something absolutely in place by December. The next number of meetings that need to occur between the Department of Transportation and the community are going to be the critical ones to look at how they would proceed on the preliminary engineering and scope of project and at that point decide how they would fund that.

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

Mr. Krutko: Thank you, Mr. Speaker. I'd like to get a commitment from the Premier that at least somewhere in going forward we're looking at a business planning process, pre-budget estimates, capital estimates. I'd like to see somewhere in that picture that there will be mention of the Aklavik access road in the capital project, in future years or whatever. But at least I want to see a name that shows up in the books. Is that a possibility, that we can look at the \$50,000 that's being expended through that infrastructure funding going forward with future capital amounts being listed?

Hon. Floyd Roland: Mr. Speaker, the department is going to work with the community. They're talking about trying to come up with the funds through the research and development portion of the Building Canada Fund, and that work will be ongoing.

As for me committing to taking a project and putting it into the plan, we know that we work with Members of the Assembly through the business plan process, and I wouldn't say that I personally or as Premier could put a project in there without proper consultation.

I think this work we talked about is going to help us prepare for the next stage, and that is research development to come up with the preliminary work. Through that process we'll be able to identify how we could move this forward and when, in what year, it would be able to flow and what dollars we could find attached to it. Thank you.

Mr. Speaker: Thank you, Mr. Roland. The honourable Member for Frame Lake, Ms. Bisaro.

QUESTION 449-16(2)
CREATION OF A COMMUNITY
INFRASTRUCTURE FUNDING PROGRAM

Ms. Bisaro: Thank you, Mr. Speaker. My questions are for the newly minted Minister of Municipal and Community Affairs. I'd like to congratulate him on his initiation into question period previously.

I'd like to follow up on my Member's statement with regard to options for community governments and assistance that might be available for them. I'd like to ask the Minister what options or what services exist at this time that will provide assistance to communities when they feel that it is needed under their lack of capacity under the New Deal.

Mr. Speaker: Thank you, Ms. Bisaro. The honourable Minister of Municipal and Community Affairs, Mr. Robert McLeod.

Hon. Robert McLeod: Thank you, Mr. Speaker, and I thank the Member for that. The communities have always asked for the right to make their own choices, and I think that under this New Deal they have that. But there is an understanding that there

may be some capacity issues. I think MACA has gone a long way in trying to help the communities deal with some of the capacity issues. They've provided a lot of support to them in the way of advice and assistance and financial management support. They've made themselves readily available for any support to the communities, as much as they possibly can, to help them take advantage of the monies gained in the New Deal.

Ms. Bisaro: Thanks to the Minister for that answer. That's about what I expected.

Interjections.

Ms. Bisaro: No, no, it was not nothing. It was very much something, but it was something I already knew.

I'd like to follow up and ask the Minister whether or not there is currently a pot of money available to communities that would provide assistance to them for large infrastructure projects.

Hon. Robert McLeod: I'm not sure if the Member's expecting this answer, but I'm going to give it anyway. Twenty-eight million dollars is available to community governments as part of the capital formula funding, and also there's additional money, like \$7.5 million available under the Gas Tax Agreement. There's \$43 million going to community governments under the Building Canada Fund, which is available over seven years. MACA is in the process of communicating with the communities and asking for their identification of projects by December of this year.

Ms. Bisaro: Thank you, Minister. I'm glad to hear that you're communicating with the communities. That's a good thing.

I would like to ask for the Minister's opinion relative to the suggestion for an infrastructure fund proposal that was mentioned in my statement. Does he see the merit in such a proposal, and will this Minister take on the task of convincing the Finance Minister that we should include such a fund in our 2009–10 operations budget?

Hon. Robert McLeod: I take the Member's suggestion. We should have to look at any options that are presented to us by Members on the other side of the House and bring them before the departments and amongst our Cabinet colleagues to see if there's some merit to them. I will commit to having a look into this and seeing what I can do. Like I said earlier, I have a briefing with the department this afternoon. So by tomorrow I'll be hopefully up to speed.

Mr. Speaker: Thank you, Mr. McLeod. Final supplementary, Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. McLeod. You always were up to speed in my books.

I appreciate the answer that you gave in terms of numbers and the millions and millions of dollars that is available to communities, but that is not just for infrastructure projects. That funding has to go for them to operate their communities, and when a large infrastructure project such as a water treatment plant needs to be done to keep up with federal regulations, there's not really extra money available for that.

I'd like to ask the Minister if he would commit to consultation with the NWT Association of Communities in the establishment of an infrastructure fund so that we get a fund that works for the communities and not one that simply creates problems for them in its use.

Hon. Robert McLeod: Thanks to the Member for that. First, I'm going to work with the department and, like I said, familiarize myself with all that we can and can't do and what's available and what's not available. I think once I get that done, then I'll probably be in a better position to make a commitment.

But like I said, I've committed a couple of times already today — I should be good for a while — to try and familiarize myself with the department as much as possible so I'm in a better position to give good, solid, concrete answers to many of the Members' questions. Thank you.

Mr. Speaker: Thank you, Mr. McLeod. Oral questions. The honourable Member for Nunakput, Mr. Jacobson.

QUESTION 450-16(2)
UNITED STATES BAN ON THE
IMPORTATION OF POLAR BEAR HIDES

Mr. Jacobson: Thank you, Mr. Speaker. I almost want to ask the Minister of MACA for some stuff already. But not today. That's for tomorrow.

Mr. Speaker, just following up on my Member's statement today regarding Industry, Tourism and Investment with a few questions.... We know that the U.S. government has banned importation of polar bear hides into the country. What is the GNWT going to do to get this decision reversed?

Mr. Speaker: Thank you, Mr. Jacobson. The honourable Minister of Industry, Tourism and Investment, Mr. Bob McLeod.

Hon. Bob McLeod: Thank you, Mr. Speaker. When we travelled to Washington and met with the United States Fish and Wildlife and an assorted number of senators and congressmen, we heard that the sports hunting of polar bears was an unintended consequence of the action that was

taken in listing the polar bear as threatened. Basically, we were told that in order to get this changed, we would have to get legislation changed in the Marine Mammal Act. So I guess technically that's what would have to get done to change it.

There was some suggestion that, in the way they do business in the United States, they could just tack it onto a finance bill or something like that to get it done. So I think there will be lots of those opportunities. We just have to get a champion to work on our behalf, and I think we have to continue to engage our consulate, our embassy office in Washington.

Mr. Jacobson: Mr. Speaker, to the Minister. The outfitting industry is an important sector in Tourism and Industry, and outfitters in my communities are going to be affected by the decisions. What will ITI do to help us?

Hon. Bob McLeod: Outfitting is a very important part of our NWT economy, and through the business planning process we intend to put forward some proposals to help the outfitters.

Mr. Jacobson: Mr. Speaker, just to let the Minister know, I look forward to working with him in the endeavour.

Mr. Speaker: Thank you. I didn't hear a question there. The honourable Member for Yellowknife Center, Mr. Hawkins.

QUESTION 451-16(2)
LACK OF PUBLIC WASHROOMS
IN DOWNTOWN YELLOWKNIFE

Mr. Hawkins: Mr. Speaker, the issue I raised today in my Member's statement has a serious impact on the people who live and work in downtown Yellowknife. It causes many people great concern. The fact of the lack of public washrooms causes people to do natural things in unnatural places, if I may say. You know, that is not supporting dignity and humanity in the nicest of ways.

I know it's far too easy to make jokes about this, and it is probably not uncommon to want to make jokes about something like this, but this is a serious issue. The people in the downtown riding want to move out of downtown. People don't want to do business downtown, and it's because of things like this.

My question will be to the Minister of Health and Social Services. Is she willing to look into this problem and see if it can be addressed by possibly finding some NGO or some service organization that will open up a facility so people who are homeless or who are in need can go to a public washroom without having to beg for a key or kick a

door in to try to get into a facility when they need to use one?

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

Hon. Sandy Lee: Mr. Speaker, I'm sure this government is willing to work with any partners who may want to address any number of issues, but I think by any standards this is probably a municipal issue. I know they're having discussions going on about some of the issues that the Member is bringing up, and I would be happy to discuss it with the municipal government and any other parties to see what options are available.

Mr. Hawkins: Mr. Speaker, that answer wasn't quite what I was looking for, because I don't believe it is a Municipal Affairs issue. Municipal issues are worries about property taxes, dogs and dumps. It wasn't really designed to worry about the social issues around homelessness. The problem out of this situation is they've been picking up where the government has been failing miserably.

So I ask once again in maybe a slightly different way: would the Minister take leadership on this issue, show some initiative, get out there and say, "Look, maybe let's see what we can do and contact some of our service organizations that may want to take this on as a task," some type of joint partnership with the Department of Health and Social Services to attempt to bring back some humanity and dignity to the people who have lost it?

Hon. Sandy Lee: Mr. Speaker, all of the projects that we work on with respect to homelessness or housing issues or municipal downtown issues we do in partnership with the municipal governments. I have great faith in the ability and capacity of the City of Yellowknife to address these issues. I'm aware of lots of community groups that are working on that, so I'm happy to work with them. But I do believe that this is an issue that should be spearheaded by the municipal government and the community groups, and I think the leadership should be left there. If there are any proposals that the government should look at, I would be happy to entertain that, but to this date I'm not aware of any such proposal. I believe the municipal level government is working on that.

Mr. Hawkins: Mr. Speaker, social issues of this type and nature are the responsibility of the Government of the Northwest Territories, the responsibility of the Department of Health and Social Services. I'm not sure where she finds this in the mandate of the City of Yellowknife. I think what we are finding here is a situation where the City of Yellowknife is desperate because the Department of Health and Social Services has been ignoring these issues for so long. They have no other choice

but to take on other issues that are outside their mandate.

So I ask again: would the Minister show some initiative by looking into contacting some of the social organizations, some of the NGOs that offer programs to people all day long? Would she make some reach out process to find out if they would be willing to take on a task like this? Again, maybe the government will help bring a bit of humanity back to people who are homeless. This is their opportunity, Mr. Speaker. Would the Minister do this?

Hon. Sandy Lee: Mr. Speaker, as the Member pointed out, this is not a new issue. It is a natural phenomenon, as the Member has stated. Municipal governments around the world take care of issues that the Member is raising. So I do believe that it is within the power and responsibility of the municipal government.

I'd be happy to make a commitment to the Member that I will meet with the mayor of Yellowknife and see what they have in their plans and see if there is anything that he would like us to do and work with him. But I do believe that at the end of the day this is a responsibility of the City of Yellowknife and the duly elected councillors there. I trust the ability and capacity of the councillors and mayor to take care of issues in downtown Yellowknife.

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

Mr. Hawkins: Mr. Speaker, the Minister might be correct if I lived in Toronto, because the City of Toronto is mandated with health issues; maybe in Calgary, maybe in Edmonton if we lived in that little imaginary answer, but not in the city of Yellowknife. The City of Yellowknife is not mandated to take care of health and social services issues.

If the minister is willing to look into this and if she is willing to talk to the mayor — I can't make a commitment on behalf of the mayor — is she willing to also look for appropriate funding if she finds that the city wants to take this issue on? Because this is a serious downtown issue for both residents and business owners.

Hon. Sandy Lee: Mr. Speaker, I would think that any reasonable mind would agree with that. It is debatable whether this is a Health and Social Services issue and a territorial issue. I understand the concern. I understand this has been an issue for the downtown merchants in the city of Yellowknife as well as something that the municipal government has been working on with community groups. So I will once again commit to the Member — and I do not need him to make a commitment on behalf of the mayor — that I will call the mayor, and I will talk to him about what plans there are and see what we can do.

Mr. Speaker: Thank you, Ms. Lee. Oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

QUESTION 452-16(2)
BISON HERD MANAGEMENT IN FORT LIARD

Mr. Menicoche: Mr. Speaker, just following up on my Member's statement with regard to the bison issue in Fort Liard, I'd like to ask the Minister of Natural Resources: what steps have been taken in Fort Liard since May of this year when I raised the bison management issue?

Mr. Speaker: Thank you, Mr. Menicoche. The honourable Minister of Environment and Natural Resources, Mr. Miltenberger.

Hon. Michael Miltenberger: Mr. Speaker, since January 2008 there have been ten animals destroyed, and two in the last week. That is the most immediate, concrete and final type of solution to those particular animals. There is other work underway. I know the Member and I have discussed over the many months the issue of the strategy that has been worked on. My latest information from ENR is that they anticipate having a draft that they can finally share with the Member and with the people by November, which I will commit to do. They're also looking at fencing and hazing, those type of things as well, to try to deal with this ongoing issue.

Mr. Menicoche: Mr. Speaker, the herd in Fort Liard is classified as free roaming. That only means that there isn't a bison management plan, which is what I expect the Minister is referencing. Once again, how much consultation has he been doing with the community and with the community leadership with regard to coming up with an agreeable bison management plan?

Hon. Michael Miltenberger: Mr. Speaker, there has been ongoing discussion with the community as well. We are working on a change of legislation to look at increasing the quota of tags from the current one to six to allow the community to make their own decisions. So there has been ongoing consultation and we will have further consultation as we come forward with the draft plan in November.

Mr. Menicoche: Mr. Speaker, I would just like to know the government's position on property damage. There's a lady that had her vehicle damaged, and one fellow lost all his propane, because the propane line was broken as a result of the bison. I'd just like to know the government's stand on reimbursement for damages by the bison.

Hon. Michael Miltenberger: I'm not aware of a specific policy that we have that speaks to damage caused by wildlife in the community. I'll check with

the department, and I'll commit to get back to the Member on that.

Mr. Speaker: Thank you, Mr. Miltenberger. Final supplementary, Mr. Menicoche.

Mr. Menicoche: Thank you very much, Mr. Speaker. Once again I would like to invite the Minister to continue the tour of the Nahendeh riding to address this issue and many others with regard to his department. Mahsi.

Mr. Speaker: Thank you, Mr. Menicoche. No question there. However, I will allow the Minister to respond to that if he wants. Mr. Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Speaker. I'll be happy to work with the Member to complete the tour that was interrupted earlier last spring.

Mr. Speaker: Thank you, Mr. Miltenberger. The honourable Member for Sahtu, Mr. Yakeleya.

QUESTION 453-16(2)
COST OF LIVING SUBSIDIES FOR
ELDERS IN SMALL COMMUNITIES

Mr. Yakeleya: Mr. Speaker, my question is to the Minister responsible for Seniors. In my Member's statement I spoke of some of the elders I had the opportunity to host this past weekend in Yellowknife. I spoke with elders from Colville Lake, Délîné, Fort Good Hope, and I also spoke to some of the seniors and elders in Norman Wells.

I would like to ask the Minister responsible for Seniors: in terms of seniors' care in the Sahtu as well as the other communities is there a discussion paper being examined or looked at in terms of coordinating all the seniors' programs under one secretariat or department?

Mr. Speaker: Thank you, Mr. Yakeleya. The honourable Minister responsible for Seniors, Ms. Lee.

Hon. Sandy Lee: Mr. Speaker, there is not a plan to set up a secretariat for seniors separately. However, we have a Minister responsible for Seniors who worked with the NWT Seniors' Society and other seniors in the territory to address the seniors' issues they advocate for on behalf of the seniors in the Territories.

Mr. Yakeleya: The NWT Seniors' Society certainly does a lot of good work in the Northwest Territories. They involve the regional seniors in their meetings.

I'd like to ask the Minister if there are any discussions in the upcoming business plan, any type of discussion on the new initiatives that are initiated by this government in terms of looking at the possibility of putting together a discussion paper

on the seniors' secretariat, because that will benefit the people in the region in terms of how to work with the seniors at a more respectful level.

Hon. Sandy Lee: Mr. Speaker, whether there is a seniors' secretariat or not, I think what the seniors are interested in knowing is that the government is responsive to some of the concerns that the seniors are bringing forward. The government has worked on and responded to the Seniors Action Plan along with the NWT Seniors' Society.

Just last year we increased the seniors' benefits, and it was indexed by communities, recognizing the differentials in the cost of living, especially in some of our smaller and remote communities. Income Security has increased the ceiling for the senior home fuel subsidy, where an increase of \$10,000 as the limit that seniors can apply for has helped seniors. In terms of the new initiatives, the Strategic Initiative Committee on Reducing the Cost of Living is looking at reviewing the commercial power subsidy as well as enhancing and improving road access to remote communities.

All of these are geared towards dealing with reducing the cost of living in small communities, which at the end of the day is what the seniors are looking for, I believe.

Mr. Yakeleya: Mr. Speaker, thank you to the Minister for the overall report. I'm asking again if the Minister would look at a secretariat that would have a little more weight than what we have right now. I know you have to work with other departments, other Ministers, and the different programs in other departments. For the seniors back in our small and most isolated communities, they have to go to different departments, different agencies and organizations to explain what their issue is. I'm looking for a secretariat where they could come to one place. We owe that to them and not let them run around the communities. They could come to one place where they can get all their issues dealt with under one roof by this government. So I'm again asking: would you bring this to your colleagues and to the House to have a discussion on a secretariat that would be more meaningful for seniors?

Hon. Sandy Lee: Mr. Speaker, there is no plan to establish a seniors' secretariat, because within the fiscal environment that we are working on, we are not able to look at expanding government bureaucracy. Even if there were a secretariat, whoever is working there would have to work with departments across the government, because seniors are looked after by Health and Social Services, by Income Security, by Housing, and in many, many different areas.

I think the point, the more important thing, is that we work together, and the Minister responsible for

Seniors does do that. We work closely with the NWT Seniors' Society on the enhancement of programs. I think that is more important than setting up a separate junior department for seniors.

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

Mr. Yakeleya: Mr. Speaker, the key words that the Minister used are "working together." If it was working together, I wouldn't be raising this issue.

I just came out of the Sahtu. These are the issues at Norman Wells. There's a seniors' house in Fort Good Hope where the floors totally need replacing. The seniors are going to be living with it through the winter if it doesn't get replaced.

So I'm asking the Minister, in terms of having some discussion with her Cabinet through the avenues that are available, to work with them and come up with a plan that would have the seniors' sector reorganized. Mr. Premier said he was not going to have the status quo; he wanted to shake things up and think differently, reorganize the departments, bring them together. This is for the seniors. It's not for the bureaucrats or me; it's for the seniors.

I'm asking the Minister again: will she look at a coordinated approach for our seniors, through the avenues that are available to her with the other Ministers, so they cannot run around the community throughout the months and can come to one place and say, "Thank you, government; you did this for us"?

Hon. Sandy Lee: Mr. Speaker, I do appreciate and take the Member's point that we can always do better to improve our services and efficiencies. One of the things that's been conducted by the Strategic Initiative Committee on Refocusing Government is to look at how to combine the services of Housing, Health and Social Services, and ECE in the way it's structured so that at the regional level our communities are able to work together to better serve their communities and the citizens that we serve. Obviously, there's always room for better coordination, and we will continue to make that effort.

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

QUESTION 454-16(2)
INSURANCE COVERAGE OF
PALLIATIVE CARE MEDICATION

Mr. Abernethy: Thank you, Mr. Speaker. In February 2008 I asked the Minister of Health and Social Services some questions about the palliative care drug approval process for extended health care benefits. In April I received a response from the Minister indicating that the department is taking steps to simplify the approval process for approving

coverage of palliative care drugs and that something would be in place by this summer. I was wondering if the Minister could please give me an update on that process to streamline the distribution of medication to palliative care patients.

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

Hon. Sandy Lee: Mr. Speaker, I appreciate the Member's question. Following up on the Member's recommendation, we have implemented that. We have a process now where as long as the doctor says in the application for medication to Green Shield or whoever is administrating our health insurance that it's palliative care, Green Shield has been processing the documents on a 24-hour turnaround basis. By all accounts, I understand that it's working out really well. It was in practice almost within a month of the Member asking for this to be implemented.

Mr. Abernethy: That's good to hear. I guess my second question is: has that information been shared with the pharmacists? I was talking to a couple of different pharmacists today who indicated that they are unaware of any changes and have seen no improvement in the process so far. It's great that the process is in place, but has it been shared with pharmacists?

Hon. Sandy Lee: In discussions with the insurance office in Inuvik and the officials I am advised that it has been in effect for a long time. Since the Member talked to me about it last week, I have asked them to talk to the pharmacists to make sure that it's working well for them. But we have not heard any of the problems in that regard.

Mr. Abernethy: I would like to get the Minister to commit to actually providing the Members on this side of the House with a bit of a breakdown of how the process is intended to work. Also, I would like the Minister to commit to actually, like I indicated, getting this information to the pharmacists, because the pharmacists I talked to today don't know anything about the changes in the process.

Hon. Sandy Lee: Mr. Speaker. Once again my information is that the doctors have been writing on the form that they fill out to get medication and palliative care pharmaceuticals that the doctor prescribes to patients.... They have been notified to put palliative care on the application. Green Shield knows about it, and it's been running very smoothly. Maybe the pharmacist dispensed the drugs and was not aware of it, so I will make sure that the pharmacists are made aware of that. If a Member knows of any difficulties that any patient in palliative care is experiencing, I would like to know about that too. Thank you.

Mr. Speaker: Thank you, Ms. Lee. Time for question period has expired. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. The honourable Member for Kam Lake, Mr. Ramsay.

Reports of Committees on the Review of Bills

BILL 15 AN ACT TO AMEND THE WORKERS' COMPENSATION ACT

Mr. Ramsay: Thank you, Mr. Speaker. I wish to report to the Assembly that the Standing Committee on Economic Development and Infrastructure reviewed Bill 15, An Act to Amend the Workers' Compensation Act. The bill proposes to amend the Workers' Compensation Act to permit the Minister to appoint the chairperson of the governance council to a term not exceeding three years. It also proposes to permit the Minister to reappoint that person as long as the reappointment does not result in a period of consecutive service exceeding six years. The committee wishes to recommend that this bill not be proceeded with.

Mr. Speaker: Thank you, Mr. Ramsay. Item 14, tabling of documents. The honourable Member for Sahtu, Mr. Yakeleya.

Tabling of Documents

Mr. Yakeleya: Mr. Speaker, I wish to table two documents. The first document is Taking Care of the Land in the Sahtu Region, August 7 to 9, 2007. The second document is Finding Balance: Strength from the Past, Strength from the Future.

Document 97-16(2), Taking Care of the Land in the Sahtu Region, tabled.

Document 98-16(2), Finding Balance: Strength from the Past; Strength from the Future, tabled.

Hon. Bob McLeod: Mr. Speaker, I wish to table the following two documents entitled Canada/Northwest Territories Agriculture Policy Framework Agreement — Small Scale Foods Program and Small Scale Foods/Community Garden Initiative.

Document 99-16(2), Small Scale Foods/Community Garden Initiative, tabled.

Document 100-16(2), Canada/NWT Agriculture Policy Framework Agreement — Small Scale Foods Program, tabled.

Hon. Jackson Lafferty: I wish to table the following document entitled Northwest Territories Coroner's Service 2007 Annual Report.

Document 101-16(2), Northwest Territories Coroner's Service 2007 Annual Report, tabled.

Mr. Speaker: Thank you, Mr. Lafferty. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters, Minister's Statement 80-16(2) and Tabled Document 93-16(2), with Mr. Bromley in the chair.

Consideration in Committee of the Whole of Bills and Other Matters

Chairman (Mr. Bromley): Okay; I would like to call the Committee of the Whole to order. We have two documents before us for consideration: Minister's Statement 80-16(2), Sessional Statement, and Tabled Document 93-16(2), Northwest Territories Capital Estimates 2009–2010. What is the wish of committee? Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. Today we would like to begin work on the Northwest Territories Capital Estimates 2009–10 with the Minister's opening comments, general comments and then as far into the departments, in order, as we can get within our time limit.

Chairman (Mr. Bromley): Thank you, Mrs. Groenewegen. Does the committee agree?

Some Honourable Members: Agreed.

Chairman (Mr. Bromley): Thank you. We will proceed to general comments. I understand we're all ready for a break.

The Committee of the Whole took a short recess.

Chairman (Mr. Bromley): I would like to call the committee back to order. We're considering Tabled Document 93-16(2), NWT Capital Estimates 2009–2010.

TABLED DOCUMENT 93-16(2) NORTHWEST TERRITORIES CAPITAL ESTIMATES 2009–2010

Chairman (Mr. Bromley): Does the Minister have any opening remarks he'd like to make?

Hon. Michael Miltenberger: Thank you, Mr. Chairman. I am pleased to present the Capital Estimates 2009–2010 of the Government of the Northwest Territories. These estimates outline

appropriations for infrastructure investments of \$247.616 million in the 2009–2010 fiscal year.

In early 2008 a review was undertaken on the GNWT's capital planning process. The review identified many challenges faced by the government in planning and delivering capital projects such as the limited resources and capacity to address existing needs, projects costing more than originally estimated; the heated western Canadian economy, which is impacting the cost of construction and attracting needed skilled trades and technical people; and limited competition on large building projects. These challenges have been highlighted through the significant carryovers that the GNWT has had to bring forward for approval by the Legislative Assembly over the last couple of years.

Mr. Chairman, the fact is that the GNWT is no longer the major player in the Northwest Territories' construction market. Interest in large capital projects has shifted to the mining sector, which has reduced our influence in the construction market, and inflation has eaten away at our buying power.

The findings from the review were presented to standing committee in April, and recommendations were subsequently made to the Financial Management Board for improving how we plan for, acquire and deliver required capital infrastructure. This included looking at the timing of when capital estimates are approved, ensuring a more disciplined and strategic approach to capital planning, improving coordination of planning and delivery, and looking at innovative approaches for the acquiring and delivery of capital projects.

It was clear from these recommendations that the GNWT must take a more corporate approach to planning and delivering its capital infrastructure. The estimates before us today represent the start of this new approach.

One of the important recommendations from the review was to move the approval of the Capital Estimates to the fall session of the Legislative Assembly. This will allow for better planning for both the GNWT and contractors as it means the tendering process can begin sooner; contractors can fit projects into their schedule, encouraging more bidders and therefore obtain the greatest level of interest and competition possible before contractors have already filled out their order books for next summer's construction season.

Major highlights in these estimates include:

- \$74.8 million for school replacements and renovations
- \$59.3 million for highways and winter roads across the NWT

- \$28 million to continue to base fund municipal governments for community infrastructure
- \$19.2 million for infrastructure investments for buildings and workspace to help support the delivery of health and social services programming
- \$13.2 million for information technology projects to replace aged information systems and improve how the government manages and secures health records.

Mr. Chairman, as Minister Bob McLeod stated earlier this session, the GNWT must take the lead and commit to reducing the Northwest Territories' dependence on fossil fuels to meet our energy requirements. We look forward to hearing your thoughts regarding investments in some of the important energy initiatives that will help us achieve this goal during the business planning and 2009–10 Main Estimates process.

Mr. Chairman, I am now prepared to review the details of the Capital Estimates 2009–2010 document.

Chairman (Mr. Bromley): Thank you, Mr. Miltenberger. Do you wish to bring in witnesses?

Hon. Michael Miltenberger: Yes, I do, Mr. Chair.

Chairman (Mr. Bromley): Thank you, Mr. Miltenberger. Does the committee agree?

Some Honourable Members: Agreed.

Chairman (Mr. Bromley): Sergeant-at-Arms, please escort in the witnesses.

Mr. Miltenberger, may I have you introduce the witnesses.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. I have with me Ms. Margaret Melhorn, the deputy minister of Finance and FMB; Mr. Michael Aumond, deputy minister of Public Works and Services; and Mr. Russ Neudorf, deputy minister of Transportation.

Chairman (Mr. Bromley): Thank you, Minister. We are now ready for general comments. Mr. Abernethy.

Mr. Abernethy: Thank you, Mr. Chair. I would like to thank the Minister for coming in today and his staff as well. I will be brief.

Basically, I'm glad that the review has been conducted into the capital process. I'm optimistic that it's going to be a better way to move forward in the future. I think doing the capital now as opposed to later, after Christmas, tends to make a significant amount of sense. It will give us an opportunity to get ahead a little bit this time.

I'd just like to thank you guys for doing the work and coming forward with this plan. I think it's a good plan. I am cautious though, obviously. I would suggest that it would be valuable for us to put some sort of not implementation but review process into this whole capital plan — not a review of the capital per se but a review of how we're proceeding with capital in the future.

I know this is the first time we have done it this way. Once again, I'm optimistic that it's a good way to go, but I would like to see the Department of Finance put in some sort of mechanism so we can monitor the effectiveness of this and ensure that it is attaining the results we hope it will.

So like I said — I'll be incredibly brief — I think it's good. I think you guys have done a really great job. I'm looking forward to moving forward. I'll discuss the detail when we get into the detail, but if the department could commit to ensuring that we have some sort of evaluation framework in place, that would be fantastic.

Chairman (Mr. Bromley): Thank you, Mr. Abernethy. Was there a question you want responded to in that?

Mr. Abernethy: General comments, but obviously I'm looking for them to commit to putting in some sort of evaluation framework.

Chairman (Mr. Bromley): Thank you, Mr. Abernethy, Minister.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. There's the broader work on the capital planning process. The first significant step is being carried out through the Cabinet Subcommittee for Infrastructure, working through and with the Refocusing Government Strategic Initiative Committee. Through that process we'll commit, as we bring forward the whole package, that we have the appropriate checks and balances and that accountability is built in so that whatever we do, in the final analysis, is set up to have the proper support and set-up to succeed.

Chairman (Mr. Bromley): Thank you, Mr. Miltenberger. Mr. Krutko.

Mr. Krutko: Thank you, Mr. Chair. I for one have questions in regard to this process as to how capital has been approved. Yes, we're into our second year. We've concluded one year in regard to the term of this 16th Assembly, so we have only have three years left.

As anybody knows, as long as I've been here, if we don't get anything in capital in two years, it isn't going to see the light of day until the next election. As a Member who represents small communities and small community infrastructure, there are issues that we've been harping about for years and

that we fought to get into the capital planning process. To change the capital process in midstream and implement new initiatives that were never part of capital, I find that very unfair to those Members who have been working on issues and to the small communities.

You look at the capital as it's laid out. Capital has a very important role in developing our social and economic ability in a lot of our communities by way of job creation, business opportunities, employment opportunities and bringing down the social debt this government has by way of income support payments and other payments we make.

I think it's important, too, that we realize we can't continue to invent systems for new initiatives to pop up on the books that basically were never there, yet forget that the whole reason we are here is to ensure we do find a system that's fair to everyone, not just to any particular department or departments but to communities and community infrastructure.

I spoke in this House earlier this week in regard to the over 30 year old facility in Aklavik, the Joe Greenland Centre. All of them were looking at the report that I finally got my hands on. They only spent \$200,000 on that facility, and it's over 30 years old. There are some major problems with that facility in regard to electrical code violations. That facility is not up to code because of it being as old as it is without proper maintenance

I'm talking about motions passed in this house in regard to Members putting forward motions trying to get projects in place, regardless if it's a school or a road to access gravel, and also projects that will go a long way to improving the quality of life in communities. Previously they had swimming pools that were part of the budget process where few communities would be able to take actions.

Two years ago we basically had a fund in regard to community capacity funding to allow communities to identify projects they'd like to put on the books, but because of the responsibilities we have — and the same in regard to community infrastructure.

We talk about water treatment plants. There was a major study that took place in the community I represent, in Aklavik, in regard to the health issues — the health of the people of the Aklavik in regard to the potential impacts to health from H. pylori that has been detected in several residents. Again, there's a direct correlation between that and the health of the community and the water treatment facility that they have in the community.

Yet again we have to wait till 2010 for this to become a reality. I think it is important that this might be a new initiative that's been put forward. I know it was tried in the 12th Assembly, and it lasted only one to two years. Basically, they went back to the old system. My question is: why did they do

that? Here we are again trying something definitely....

My big beef with this process is that it was all done in ministerial committees that have been established by Cabinet, with no real involvement from this side of the House in regard to those capital items that are now being put in front of us.

We've got a business planning process in regard to every committee and every department. You go through it clause by clause, line by line and identify those items. Next, beside the document you were looking at, was usually a 10, 15 or 20 year plan, so you could see where these items fit into the plan. You knew they were going to show up eventually and that we stuck to a plan. Right now, from what I can see, there is no plan.

I think it's important to realize that we as government have some challenges, yes. We're building \$20 million office buildings for the comfort of a few departments, and there was a proposal put forward for \$10 million to build the same facility. I have a big problem with that, especially in regard to the whole area of cuts and layoffs.

We continue to go full speed ahead. It depends who gets to the front of the line, gets their capital project into the books and just gets on with it without realizing that there are also political and social impacts that have taken place throughout the Northwest Territories in regard to what we are doing and where we are going.

Again, in regard to Capital Estimates they're under new initiatives. Of the new items, which are basically coming forward in 2009–2010, a large number are new initiatives. I'm using special warrants. We were told earlier on, back in February when we passed the interim budget, that special warrants were only going to be used for emergency type items, yet we're seeing items pop up that aren't of special warrant status.

The other issue I had questions about was in regard to the Financial Administration Act. There were a lot of battles fought in this House in the 13th Assembly and the 14th Assembly in regard to capital items. They'd either shown up on the books out of thin air or basically were moved from one Member's riding into a different person's riding with no consultation with Members. That was basically added to the Financial Administration Act to prevent these types of things from happening.

Those are the types of concerns I have. I question a lot of these items in front of us because of experience. I've seen over the years in this House how people have influence over the budgetary process, for ministerial committees, through departmental priorities. We tell them to cut in one area; they find ways of inventing projects through

processes that are new, untried or unknown because of not having done it before.

I'd like it to be possible for us to see some sort of a process of accountability, transparency, actually seeing where these capital projects go in light of particular communities and particular ridings. I'd like to see how many projects are in any particular riding and how many projects are in a particular community to really reflect on exact distribution of wealth — where that distribution is being expanded and exactly what the benefit is to the territory as a whole versus one riding, one region or one community. I think it's important that we take a close look at that.

In regard to the issue that the Minister touched on about technical services, there was a request for proposal a couple of years ago in regard to telecommunication and cellphone service in all our communities in the Northwest Territories. There was that request for proposal put out there. NorthwesTel did the same thing in partnership with an aboriginal company.

I'm just wondering: exactly when are we also going to look at improving technical services throughout the Northwest Territories, not simply for government purposes but also for the residents in the Northwest Territories? Maybe that is more in line with the question I would direct at the Minister in regard to what's happened to that proposal. What's the status of it and, more importantly, where are we going?

In closing, as I stated in my opening comments, if you don't get your items in this budget, this cycle, you're basically out of luck. They won't have seen the light of day. At the end of the 16th Assembly you can talk about it in the next election, because you aren't going to get it.

Chairman (Mr. Bromley): Thank you, Mr. Krutko. Mr. Miltenberger.

Mr. Miltenberger: Thank you, Mr. Chairman. Clearly, there are more needs than we have resources for, so we're always in the business of making choices.

The majority of the capital items or projects brought forward were already on the table from last year. There were some new ones with Transportation and with some strategic initiatives because of new funding and such. We have shared information with a committee that sorted all the capital projects by constituency so everybody would have an idea of what that looks like.

One of the changes we are trying to deal with, of course, is the issue of carry-overs. Also was the fact that we were approving more and more projects that we weren't completing. We needed to try to change the cycle and come up with ways to

get ahead of that process so we didn't have so much money tied up on projects we weren't completing.

We also shared the 15 year plan with committee, I do believe. As we move forward with the work of the infrastructure committee, they'll lay out all the steps and suggested improvements to the capital planning process. We do look forward to feedback from the Members in terms of what's being brought forward, recognizing that there is a need, as I indicated in my statement, to get things done.

Our money was being eaten up by inflation, and I know the 12th Assembly, in fact, had this process. The 13th came in, and we changed that process, because we wanted to get the budgets passed.

One of the other big concerns at the time was that the overall budget for the government was often not getting passed until well into the fall, meaning interim appropriations and a lot of other issues around that. Clearly, the capital concerns have reached the point where we have had to reconsider and look at what is the most natural and effective way to deliver capital. That is to try to have the projects ready and the equipment and material on the ground so that you are ready when spring comes to start work.

We look forward to feedback from the community as we move forward with the rest of the work that is being done by the infrastructure committee.

Chairman (Mr. Bromley): Thank you, Mr. Miltenberger. Moving on, Ms. Bisaro.

Ms. Bisaro: Thank you, Mr. Chair. I have a few comments in terms of the process and a lot of questions. We'll save those for later, but some general comments.

I think the work that is being done by the committee that was undertaking the review of the capital planning process has been very good work. I felt that it was well thought out. They made considered and appropriate recommendations and suggestions for improvement and for changes. I think that as a first go-round this new process has a good chance of success, I guess, for lack of a better way of putting it. I support the process and the schedule, and I look forward to the positive results that hopefully will come out of it.

I do agree with Mr. Abernethy, who spoke earlier, about an evaluation. I think there needs to be some sort of evaluation of this particular process. Whether or not we can make a judgment one year from now remains to be seen, but I think we ought to specify that in a year from now, we will look at the success or failure of certain parts of this particular process. It is intended to reduce carry-overs, and we will have to see whether or not that is put into effect. It is supposed to result in better

tender results. We will have to see whether or not that is something that is going to come true. I think I heard the Minister commit to doing an evaluation. I would like to add my voice to that particular concern.

The Minister mentioned that we received an allocation of projects by constituency, by riding, by community. I think there is some indication, in looking at it, that there is an unbalanced allocation of capital. There are a couple of communities that have little to no capital projects in this next year, and there are certainly some projects that we saw in the Capital Plan for '08-09 that are no longer in the Capital Plan for '09-10, and that's a concern. I understand that things were evaluated. Some were dropped; some were added.

My concern is this. Although we were given a great deal of material which substantiated each individual project, I never felt that I was given justification as to why project A was deleted and project B was instituted in its stead. So we lost one and gained one. I understand that we can always have input into which projects are going to be included and which are going to be dropped, but it might be of more benefit to Members if, in discussion with the Minister in trying to understand next year's capital budget, we get a better justification of why one project is deleted and another one is inserted.

I did want to say the Minister indicated that there is going to be an emphasis on energy initiatives, and I do agree with that emphasis. I think what is being suggested is good. I think we are moving in the right direction as we move towards more provisioning of hydro power as opposed to the diesel that we are using now. So I would like to just indicate my support for that.

We have already done this, but the one time reduction of carry-overs I think was a good thing. If we can get to a carry-over dollar value that is indicative of what our real carry-over is, I think that is far better. I believe we are into making things as close to the truth as they can be and as rational as we can be.

In terms of the change to the schedule and the timing of the capital process it has been indicated to us, and I agree with this belief, that we need a change in the Financial Administration Act. I would encourage the government to go forward with the changes to that act as soon as possible. I don't see any value in approving our capital budget in the fall but not allowing the money to be spent until April of the next year. The only way this system is going to work is if money can be expended earlier on so that we can enter into contracts between the fall and the next fiscal year.

I appreciate that this budget shows a fairly large emphasis on deferred maintenance. It's an area to

me that this government has put a focus on, and I think it's something that is much needed. We have a huge backlog in deferred maintenance, and that we're starting to put an emphasis on it and put some money into it is a good thing.

The only other thing that I wanted to say is that we did not get information on the expenditures or the Infrastructure Acquisition Plan for the NWT Housing Corporation. I appreciate that with this change in timing the Minister wasn't able to provide that to us at this time in the year. We're advised in future years that, yes, we will get that information. I would just like to mention that I certainly hope that is the case. I think the Housing Corporation infrastructure should come through with all the other infrastructure plans for the whole of the government for the next fiscal year.

With that, I look forward to going into detail, and I will have some questions at that time. That is the end of my comments, Mr. Chairman.

Chairman (Mr. Bromley): Thank you, Ms. Bisaro. Mr. Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. Just to reaffirm, the issue of the evaluation process will be dealt with as we come forward with a full package of recommended changes that are going to be brought forward by the infrastructure committee.

The issue of equity among communities and regions is, of course, one of concern. We want to ensure that we are trying to meet the needs in a fair way. I would like to point out that we do have a \$28 million infrastructure agreement and contribution to the communities that's done on a base plus formula. It now gives communities a significant amount of money that they've never had access to before. That was put in place to help them address some of the needs that previously they had a hard time getting on the list.

We as well, to confirm, will be bringing forward the changes to the Financial Administration Act so that they're ready and in place in time for the next budget cycle for the capital process.

Housing will be part of the process so that it's all done at the front end, even though housing is now currently dealt with through agreements and through the O&M side. It will be brought forward, because it is really capital, so it's all on the table through this process.

Ms. Bisaro: Just one quick follow-up. I do appreciate that communities do have access to a fairly large amount of dollars for projects on their own, but I was referencing more projects which are territorial in nature, such as airport projects and specifically the relocation of the Trout Lake Airport,

which seems to have dropped off the horizon in total.

Chairman (Mr. Bromley): Thank you, Ms. Bisaro. I'll take that as a comment. No question. Moving on, Mrs. Groenewegen.

Mrs. Groenewegen: Thank you, Mr. Chairman. First to the Minister's opening remarks. Interest in large capital projects has shifted to the mining sector, which has reduced our influence in the construction market, and inflation has eaten away at our buying power. I think this is a classic case of throwing our hands up and not trying to think of different ways to do things to make our capital dollars go further.

I'd like to see proof, too, that capital project interests have shifted to the mining sector. You know, that's an easy thing to say. Where is the proof? I'd like to know how much various contractors in the NWT are providing infrastructure to the private sector versus some kind of a graph that shows some of the projects that have been undertaken in the public sector. I mean, it's fine to say that and it's fine to talk about inflation. Certainly, there has always been some degree of inflation, but I think we are rolling over too easy on the cost of some of these things.

Not all of them are competitive processes, the Inuvik school as an example. We'll get into detail later under Education, Culture and Employment and negotiate a contract. Why? Of course, we have a heated construction market south of us in Alberta, but there has got to be a way for this government to continue to encourage competitive processes. If you can't get companies to take on full contracts for the whole process, then piece it up. Divide it up. Contract it out.

We have so many professionals who work in the department who are engineers. They have a lot of in house capacity, yet we seem like we contract everything out to do with, well, everything — everything from consulting on what a capital project should look like to what kinds of programs should go in the project. It seems like we contract that out. We have engineers, supervising engineers, with PWS folks.

Why do you hire a project manager with all the credentials of the person you're going to contract the service to on a capital project? I hope that makes sense. You have people with the same education and experience equivalency that you're turning around and getting them to supervise the work. I don't quite understand. I mean, if you want to talk about stretching our capital dollars further....

Anyway, the bottom line is that I think we're paying too much for our capital projects. I believe in consultation on what these things should look like and what the program's going to be and the

activities that will take place in them, but I think we're going there too much with a blank cheque and just letting people dream big and dream wild about this. They're ending up with running up capital projects that are just too expensive. I can't categorically prove this to you, but people obtain more for less in the private sector than we do as a government. We have to ask ourselves why. Why is that?

When it comes to the prioritizing what capital will go ahead and what will not, I do think there is tremendous inequity, unfairness, in the way that's done. I don't think it's necessary to put almost the entire year's capital budget in one community and completely ignore the needs in others. I don't think there's equity between large communities and small communities.

I don't know what the magic formula is to getting capital in your community or in your riding. Obviously, I haven't stumbled onto that, because most of the big projects in my community have been pushed back — the hospital and the school. I'd hate to hazard a guess that there's a different table you should be sitting at. At the table I'm sitting at and at this table, I'm always promoting and encouraging and asking and trying to, with all due respect and diplomacy, draw attention to the needs of my community, but then we see projects going ahead like the ones that will be contained. But we'll get into that in the details.

I don't know why we as a government also need the Cadillac version of everything. I would like to know what they're paying for schools in southern Canada — big schools, fancy schools. I'd like to know how that compares with what we're getting on a per square foot basis. I think we're paying too much.

Another thing that contributes to our costs is the amount that we spend on what we call the soft costs, the engineering and the architectural. Again, I think we walked up to some of these folks with blank cheques in our hand, and the sky is the limit. We keep talking about the competing interest for capital. If that's truly the case, then we need to look at every area that we can economize.

Going forward after capital projects are built, it would be really nice in the design and planning of these if we would take some of the ongoing O&M costs into consideration too. I haven't been fully convinced that the whole energy conservation thing has actually hit home with some of these projects yet. I think we've seen a tremendous increase in the cost of utilities and will continue to. There must be ways of building more energy efficiencies into these buildings. I'd be very interested in hearing from the Minister what kind of emphasis is put on that when all of this consultation and program review goes into these projects.

Even when you apply a factor of costs for remote and rural locations, all those kinds of things, I still think we are paying an extraordinary amount for our capital projects here in the North. I again would be interested in seeing, on a square foot basis, what kind of a rate we're paying compared to similar infrastructure that is built in southern Canada.

I think the process has improved. I do support this new timing. I think there is still a lot we could gain by consulting with people in the industry. We've been talking about that, and I understand that maybe there's a paper or a report in the works right now with the NWT Construction Association. I think we need to view them as our partners in this discussion and lay it on the table that we have a lot of demands on our capital, a lot of needs. We need to work with them. Northern industry wants to see benefit from the money that our government spends. We want northern preference. I think we need to talk to them about what we can do as a government to get as much as we can for the dollars we have.

I think they are willing to talk to us about that. I'll be very interested in hearing what they have to say. It has been on our agenda for a long time, to meet with those folks. That is about all I have to say right now in the general comments. Thank you, Mr. Chairman.

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

Hon. Michael Miltenberger: Thank you, Mr. Chairman. The work of the infrastructure subcommittee that is looking at the whole capital planning process is, in fact, trying to identify and come to grips with recommendations to deal with issues that the Member has raised: the concern about overdesign, the cost factors, the issue of standardized designs, the moving towards bundling of projects so that we can in fact be more efficient.

For us the evidence over the years has been clear in terms of the cost, the number of carry-overs, the number of tenders where there was one bid or no bids or bids that are not even close in terms of the difference between the cost of the estimate versus what was being offered. So there are a whole number of things that we agree have to be looked at and that we're trying to come to grips with, which is why we started this process. There was a general concern that we could restructure government processes to be more efficient, effective and economical.

We have no design architects, for example, on staff, so that's one thing where we do contract. Many of the project people, given the very many numbers of projects, have to be prepared to supervise multiple projects, often spread out over a fairly wide area. As well, we are working to get

better and better at our conservation standards for northern buildings, for our institutional buildings. We see the Greenstone Building that the federal government has built as a model for efficiency that we'd like to be able to try to reach. And we are continuing to work with and consult with the northern contractors, the architects, the construction society. We once again are looking forward to coming back to committee with the completed work of the infrastructure subcommittee that will hopefully address these issues in greater detail. Thank you.

Chairman (Mr. Bromley): Thank you, Mr. Miltenberger. Moving on. General comments, Mr. Ramsay.

Mr. Ramsay: Thank you very much, Mr. Chairman. I want to start off saying how impressed I was with Public Works and Services, Mr. Aumond and his staff, in getting us to this stage. I think they are to be thanked for the work they've done.

For a lot of the reasons that have already been discussed by my colleagues here today, there are some challenges whenever you look at changing the way you do things. I think there will be some growing pains as we go through this new process.

However, I do believe and am of the opinion that we will get better tendering results and we'll reduce the amount of carry-overs that we have from year to year. I think those are two primary objectives that we need to keep in mind.

I also agree that the evaluation that other Members have talked about is important. It's an important piece of the puzzle as we move forward. We should always be trying to do things better.

I'm a big fan of the standardized design from community to community. I think oftentimes things get off the rails. We go with Cadillac versions; we go with overspec'd buildings; we go with whatever the list of people we talk to wants in a building. It's nice if you have you money, but I think in today's day and age and with the cost of construction in the Northwest Territories, standardized designs.... Some people might not like it, but I think the utility of the buildings that we build and the designs that we use should be standardized. We should get more for the capital dollars that we have. Again, I'm very supportive of standardized designs.

Just a couple of observations. I agree with some of the comments, too, about the unbalanced capital dollars in various ridings. Specifically, I'll point to a few ridings, Nunakput for one. Mackenzie Delta and Tu Nedhe are scarce in capital dollars over the next four years, whereas ridings in Inuvik, Fort Smith and, to a lesser extent, Yellowknife are receiving the bulk of the capital dollars. I'm very grateful, believe me, that a project like St. Joseph school is off the ground and being done. That was a very

necessary move by the government to get that renovation program going, and I'm very thankful for that. I'm also thankful for the movement on the Kam Lake bypass road. Those are two issues that I've been bringing to the table and fighting for.

I do understand and appreciate where some of my colleagues are coming from when there isn't a balance on capital spending in the territory. I think going forward we need to try to ensure that we get a balance on that capital spending so that all communities can share equally in what dollars we do have. There are competing priorities and demands in every one of our communities that we represent, so looking at that would be a good start.

I always wondered how a school in Inuvik could cost us \$120 million. We just built one in Tulita that was \$24 million. The retrofit that's happening currently at St. Joseph's is a major retrofit; it's about \$32 million. Why is a school costing us that much money? I don't understand how it started off at \$84 million and then went to \$90 million and now is over \$110 million, and even earlier today the Minister didn't know how much it cost. We really need to get a handle on it. The school needs to get built in Inuvik, but can somebody explain to me why it costs \$120 million to build a school there?

Again, I think the issue that Mrs. Groenewegen brought up about consulting people in the construction industry is a good one. I think we have been waiting for a meeting. We're looking forward to getting together with those folks in the construction industry, the architects, the engineers, anybody that has any insight into how the government operates and gets capital projects started and built in the territory. Any feedback we can get from people, we're willing to take.

I know Public Works and Services, like I said, has done a yeoman's job in getting us to this stage. It's going to be a process that's different to people, but I think it's one that is workable and one I'm willing to support for the time being. I look forward to an evaluation sometime down the road, Mr. Chairman.

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

Hon. Michael Miltenberger: Thank you, Mr. Chairman. I appreciate the Member's comments about the process. To try to address some of the issues that we've now talked about, I would just like, for the record, to note, if I could — it'll take me about 30 seconds — that the Deh Cho, between 2009–2010 and up to 2011–2012, will be getting, according to this, \$20.806 million; Hay River riding, \$74.320 million; Inuvik Twin Lakes, \$138.225 million; Mackenzie Delta, \$2.745 million; Monfwi, \$7.295 million; Nahendeh, \$10.3 million; Nunakput, \$12.360 million; Sahtu, \$49.976 million; Thebacha,

\$28.610 million; Tu Nedhe, \$7.365 million; Yellowknife, \$145.966 million.

Chairman (Mr. Abernethy): Thank you, Minister Miltenberger. Next on the list is Mr. Hawkins.

Mr. Hawkins: Thank you, Mr. Chairman. I won't use a lot of time, but what I want to do is cite timing and process. First on the timing. I really like the timing. One of the complaints I generally hear and can obviously see is that timing is a problem. It's been cited before, but I think it's important to put it on the record from my perspective. When we approve the capital budgets at the end of March, it doesn't get ignited into the realm of reality until April, May, June. Tenders come in; projects don't start until the fall — those types of problems.

Now, that's obviously not every project. We know that. But the reality is that timing becomes a significant issue in our very short construction season — our season when we have to send things up by a barge, our trucking season. If you live in one of those communities in Nunakput riding, you need to get that big barge all the way around. You know there are a lot of facilitative problems for planning. So, on timing, I'm really pleased with this idea of moving it forward. It's something I sincerely support, and I want to thank Public Works in the effort that they have done to collaborate on this.

Some of the best work I've seen lately was one of the briefings we had a little while ago about Public Works understanding the tough challenges of delivering things on time, on budget and facilitating that. To me this sort of dovetails nicely into realizing that, yes, we have a problem, and now we are finding solutions for it. So my compliments go to the department and the team that worked on this. I know it wasn't just one individual; it's a team.

As far as the product, we now have a capital plan for our estimates that.... I think we're given it as a lump sum. My first inclination would be to say: is transparency being served? To be honest, I think the government was being fleeced before. It didn't take much of an effort to say, "Well, jeez, the government is looking for a water truck. How much do they have budgeted? Oh, it's \$180,000, so I better bid \$170,000," and keep on maximizing their bids every single time, in my view, and taking advantage of that. To my mind, that leads to project overruns; that leads to capital projects. When an architect sees that a school is worth \$40 million, they design it exactly at \$40 million, and of course there are cost overruns.

I think by subtracting those numbers again, although I normally fear transparency being lost, the sum totals will be all rolled together, and each line item will be delivered as sort of a product bunch. I'm very pleased by this approach, because we take doing the tough work out of a competitive

bid process. We take away the low lying fruit from those people who would be bidding on this by us doing the work for them. I'm hoping that in time we'll start to get more competitive bids, because people actually have to earn and work a little harder for them.

I won't cite an example, because I don't want to narrow it down, and I don't want to put a spotlight on it, but I am aware of an example where the number wasn't necessarily that public, and there was a competitive process that shone through and gave us an excellent price and certainly will deliver a quality product. To me, in my mind, without the business community, whether it's people who build and deliver water trucks or those people who design schools or hospitals or whatever, if we are not telling them how much money we're willing to spend, that makes them sort of sharpen their pencils. They're going to put in a proposal for the best dollars that they think we can accept. Certainly, that will work in the long haul.

Mr. Chairman, I have one question — I certainly hope it wasn't asked already — for the Minister at this time. We are on the threshold of a new process that I think will deliver better bids in the long haul, which will deliver better accountability on our fiscal numbers over the long haul. Is there any strategy to create a check and balance system so that maybe in one year or two years there'll be a review of how our competitive process has worked since we've taken out every single line item dollar and sort of bunched it up as one bottom line dollar for each individual department? Will they do a bit of a review to find out if it's working with this method, that we've created a better competitive environment from the territorial perspective?

Chairman (Mr. Abernethy): Thank you, Mr. Hawkins. Minister Miltenberger.

Hon. Michael Miltenberger: Mr. Chairman, first I'd just like to acknowledge the Member raising this concern about too much information on specific contracts that skewed the tendering competitive bid process. We've attempted to address that.

In terms of the evaluation process, as I've indicated — it's been raised by yourself, Mr. Chair, and a number of your colleagues, including Mr. Hawkins — we will come forward in the final analysis, as we finalize the process, with that component built in.

Mr. Hawkins: I just want to again say that too much information in the competitive process, by us giving it away, is like telling everybody what to bid. I just want to say it's an issue near and dear to my heart, to show that we're working as hard as we can to get the best prices for products. I cannot emphasize enough to the folks from Finance, obviously, from Public Works and everybody else who put this package together that it's a good

product, and I think it will serve us all very well going forward. I'm extremely thankful that the Minister, as well as many other government staff, heard the calls of people like myself and other Members — a feeling that we need to deliver a better product. So I'm very thankful on this example.

Chairman (Mr. Abernethy): Thank you, Mr. Hawkins. I didn't hear a question, so I'll move along to the next person on the list. Mr. Menicoche.

Mr. Menicoche: Thank you very much, Mr. Chair. I'm glad to be reviewing the capital estimates of 2009–2010. As we had deliberated on the document and the different challenges, I, of course, have a regional perspective, more particularly from my riding. Roads and highways and our winter roads are of prime importance. There's not a day that goes by that we're not affected by the roads and the ability to travel on the roads. Particularly this spring, for instance, on Highway No. 7 there was actually a major failure in the base of that road, and they actually shut the highway down. That created a lot of excitement, if only because the highway is one of the ways that we get tourists up to our region, over to Fort Simpson. Those tourism dollars are important, just like anywhere else. As soon as the word got out that the highway had failed, word of mouth went far and wide.

It just goes to speak about the replacement of the roads or the complete rebuilding of the road that's been on the books for some time, especially for Highway No. 7. I know that government in the last term had allocated a feast of dollars to it, and I'd like to see that level of expenditure continue. I'm glad to see it in here, but I'd also like to see, because it's a major highway — in fact, it's mentioned in many of our documents as part of a highway strategy — that a priority be included in reconstructing those portions of the highway. Like everywhere else, it's about 30 or 40 years old. It will be prone to a lot more failures, and I don't want to see that happen. I'd like to see the department concentrate on it.

To me it kind of looks like there may have even been a decrease in expenditures on Highway No. 7. Maybe the Minister can comment on that. I certainly don't want to see that, especially not now. It's no time to be reducing expenditures on that highway. The support for that highway has got to be at least the same or better than it was.

As well, in terms of our infrastructure I've noticed that in terms of our airport systems, one of the projects that we've been pushing for doesn't even show up on the books anymore, Mr. Chair. That is, more particularly, the Trout Lake Airport relocation project. My colleague Mr. Abernethy has pointed it out as well. Sometimes projects fall off the books. Sometimes projects remain on the books, but they

remain in the capital plan. In this case, this particular project fell off the books as opposed to remaining on the capital plan. I've always maintained that it takes a lot of hard work just to get projects on the books, and to have it just fall off from one sitting to the next, without explanation or without even notifying me as the MLA, is kind of odd. I'd certainly like a good explanation of that.

At the same time, we're reviewing our documents here. If the priority is not there for that project, but it should at least appear on the capital plans for future years and show up in that, then it would be very important to have that included. We do that in many different areas, many different regions. We take one project and say: okay; we can't do it this year, but in future years we'll do it. It remains on the books and highlighted, especially in documents such as this. At the bare minimum, Mr. Chair, that's something I would be seeking: put it on the books; keep it on the books.

You know, I understand the many different priorities and initiatives that government has and the limited resources, but at the same time, we've got to strive. Future changes to the aviation guidelines and regulations impact the Trout Lake community as well. Just by not addressing those concerns.... A lot of it, of course, is haste, you know. Everybody knows in the whole transportation system that when they built that airport, it was actually part of the road, and to save costs they just built it on there. I think people and engineers from that industry kind of.... They had indicated that that's not the best choice for alignment, and that's the real issue here. Once you align it to prevailing winds, then you get safe transportation infrastructure. That was all Trout Lake and the aviation industry is looking forward to with the move to the building of this relocation project.

Anyway, these are arguments they use — and many, many more — in order to get this project on the books. To have it not on the books anymore is kind of like: what has happened to it? Does it mean it's dead? But for me, I'd like to see it on the books in other years, in future years. If that's the route we have to take, then I think that's the route we should take, Mr. Chair.

Otherwise, I'm well aware of our capital infrastructure planning and guidelines. I think that we are on the right track with this dialogue that we're having, this communication, as well as outside of this House and in the committee system. It goes a long way to re-evaluating what projects are important.

That goes the same for just dealing with the new issue of some renovations, as well, for the Fort Simpson hospital. There are some renovations planned. They're off the books now, and we're not too sure what's going on with it. It doesn't mean

that it's dead; it doesn't mean that it's planned for other years. We don't even see it on the books anymore. Again, that leads to a question. For us it's still a priority. We'd like to get those projects done. We'd certainly like to see it mentioned in documentation that it's still a priority. It still is a priority for our people, for our leadership and for our community.

So with that, Mr. Chair, I know that the Minister has been given the opportunity to respond to other Members, and I'd certainly like to hear his responses to my concerns. Thank you.

Chairman (Mr. Abernethy): Thank you, Mr. Menicoche. Minister Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. Highway No. 7 is on the books for the next four years — \$10.6 million, roughly \$2 million a year. That funding is now coming out of strategic initiatives.

The Trout Lake Airport extension was removed as one of the choices made because of the physical challenges, which we've tried to explain to committee. We are continuing to look for funding so we get it back on the plan. We know the need is still there, and it will make its way back. At this point, though, we are pursuing funding.

I don't have any information before me on the renovations for the health centre, but by the time we come to Health, we'll have that information.

Chairman (Mr. Abernethy): Thank you, Minister Miltenberger. Next on my list is Mr. Beaulieu.

Mr. Beaulieu: Thank you, Mr. Chair. I am happy with the timing of the way capital has been rolled out. I think the sooner we get this out, the better the chances of us actually completing the projects are. I see some problems with the allocation because of the capital planning.

In reality, in Tu Nedhe over the next four years, plus future years, what was allocated outside of what we considered, areas like that highway, was actually some holdback money, which is very interesting, I found. They have no capital projects in two of the communities at all. The only capital project that appeared in Tu Nedhe is the capital project that is either holdback or warranty money from a project that was completed this fiscal year. Nothing in Fort Resolution at all.

However, we do have some money put into areas of the highway that leads into Fort Resolution. One of the ways that the government can resolve a lot of capital issues or even a lot of issues of employment.... All kinds of positive results could be from actually spending every cent that is put into the capital plan each year. The fact that we continue to carry over a lot of projects is an issue.

Just as indicated in the Minister's statement, inflation is eroding capital projects. That is true too, but if you take a project that was supposed to be scheduled for one year and it's not done till two years later, then there is an additional two years of inflation erosion.

I think the various departments could look at innovative ways to complete capital. I know there are a lot of unemployed equipment operators in Fort Resolution, as an example, and lots of local equipment that could be utilized to do these projects. I know that even the one project that's related to Tu Nedhe that's on the books is maybe about a quarter of what's needed to actually complete the project 100 per cent.

I looked at the 20 year capital needs assessment of the government, and I'm not seeing anything in the 20 year assessment in Tu Nedhe, Lutselk'e and Fort Resolution. However, I'm sure that the 20 year assessment is not done only once, so I'm comfortable that something will end up in the 20 year assessment.

Talking specifically on the 20 year capital assessment, my understanding from talking to some of the people that were involved in the capital assessment was that inside the 20 year capital needs assessment you look at what type of capital is the ultimate and not the capital that's needed by the GNWT and the communities over the next 20 years and mid-life — I'm not sure what it will be called, but some sort of mid-life retrofit will fit, for lack of a better word. Inside the 20 year assessment we are looking at some mid-life and some replacements, and I found that to be interesting, because a lot of the capital has moved now. The capital that is really needed has moved to the communities, and then the communities aren't adequately funded to address all of their capital needs. There is funding that I think should eventually get to it, but it is not really adequate funding.

It's a strange thing that I saw looking at the capital plan. I noticed a replacement of major heavy equipment, and it was dropping amounts of \$240,000 or \$170,000 to replace pieces of equipment that under a normal 20 year capital needs assessment wouldn't have even gotten to the mid-life retrofit. They are already shot and being replaced. I asked the community, "Why is that water truck," which is six years old and broken down, "parked in the garage and you guys are renting a water truck from a private company to haul water when you have two water trucks that are relatively new?" The simple answer was that there is no actual maintenance on any of this equipment at all, because years ago the government made the decision to pull all the mechanics out of these small communities.

So now instead of spending \$20,000 to retrofit a piece of equipment, say a Cat or a grader or something, it's replaced. That puts a tremendous amount of strain on the capital, obviously, at the community level. The community goes in there to have a plan to do something. They don't have the people in the community to maintain their equipment. There are no meters on any of the equipment saying that equipment runs for 2,000 hours and you have to do this, this, this. There's no maintenance manual. This is just equipment. You put them on the road; people jump in and drive them. They do their thing, and when it breaks down, then you buy another one. So I found that could really be an unnecessary strain on the capital.

I don't have much time here, but just to touch a bit on the New Deal. I found that looking at the capital plan in the New Deal, there's just not enough capital money. The overall amount sounds fairly impressive at \$28 million, but in reality, when it gets down to the communities, the community can't do the major things that need to be done. A major thing that has health implications and all kinds of other implications.... When you keep pouring dust over the entire community all summer long, there are health problems. It creates all kinds of problems. Even a house creates problems.

Just the simple fact of chipsealing the entire community, getting away from replacing equipment all the time that shouldn't be anywhere near its mid-life and putting that into chipsealing and doing something for the youth.... I thought that a summer swimming pool in Fort Resolution or Lutselk'e would be something that can be really positive and something that has lots of benefits to it. But with the amount of money they're getting and the size of the community and it's basically almost allocated per capita — I am not one hundred per cent sure, but it is relatively close to that — they just don't have the money to do things like that. So as long as their money is given to them and there's no support as far as maintenance goes on the items, and they are never ever going to get paid enough money.... I recognize that they have mechanisms in place that allow them to do that, but that's going to be really difficult for them to do.

So I guess my hope is that for Tu Nedhe — I am just about wrapped up here — the deferred maintenance program, I think, would be something that is needed. The NWT Housing Corporation programs, when they roll out.... I am hoping that with some of those programs — a lot of those programs are sometimes difficult to access as well — the government can find a way to deliver those in conjunction with some of the energy programs and so on. But think I'm out of time, so that's it, Mr. Chair.

Chairman (Mr. Abernethy): Thank you, Mr. Beaulieu. Minister Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. I agree with the Member about the need.... I think it has all been identified, the issue of deferred maintenance both for buildings and equipment and the cost that there is built up if we don't do it right. As the Member indicated, the 20 year needs assessment will be reviewed and revamped on an ongoing basis as some projects follow up and get built and other ones come on.

Just for the record I would like to note that the money going to communities is the \$28 million from the capital formula that is being proposed and another \$6.1 million under the Building Canada fund, \$14.6 million under the gas tax for a total this year of \$48.7 million going to be allocated to communities on that base plus formula. In the case of the Member for Tu Nedhe, that will give the Fort Resolution community \$1.2 million and Lutselk'e \$1.1 million. So it gives them funds that they never had and an opportunity to do some planning with the recognition that they will get money.

The Member and I have talked about this as well, and I have referenced it in my comments. As we come forward with the O&M budget, the issue of funding that we are going to bring forward, proposed and targeted for alternate energy projects, is going to be an important piece. Clearly, one of the items that as the government we are interested in working with the Legislature on is the whole issue of mini hydro. It is our hope that when the budget is approved, we will then have the resources to, in a very concrete, meaningful way, approach some of those projects with resources to advance them significantly.

Chairman (Mr. Abernethy): Thank you, Minister Miltenberger. Next on my list is Mr. Bromley.

Mr. Bromley: Thank you, Mr. Chair. I want to empathize with some of my colleagues' comments as they look for specific projects, at least in the longer term plans. I know this is general comments, but I have to say I'm still looking for the Dettah road reconstruction. I'm sure it's there somewhere.

I do also, as many of us do, appreciate this new approach, which is an attempt to come up with appropriately designed infrastructure that will meet the needs of our residents and also the size of our pocketbook. We have a clear and dramatic pattern of annual increases in the cost of things and annual increases in the size of the carry-over. I think there is hope that this new approach will establish parameters that ensure we get the best value for our money and guard against these sorts of cost overruns and carry-overs. Basically, this is an attempt to get a grip on reality and to respond, and I am very supportive of that.

The process is also beginning to recognize the importance of identifying operations and

maintenance costs associated with facilities. I think we probably should go beyond that in some cases. Increasingly in jurisdictions around the world, with building infrastructure and other infrastructure, it's being required and designed to generate the energy it will use and more. They will contribute energy to the grid, part of the distributed energy system. The latest technologies are out there. I think we're moving in the right direction. We've got some good initiatives started. But we need to continue to learn about where the progressive thinking is on this and what the real opportunities are for getting ahead of this sort of thing. These costs are not going to go down, and we still have other opportunities that we can implement here.

I'm pleased to see that a value analysis on each major project will be done to provide some measure of accountability to ensure projects have met the conditions of their approval. This is an important tool for management and oversight and could be useful in my next concern, which we have heard about already, and that's recognizing that this is a new process. It is important that we establish a way to evaluate this new approach, its capital planning, and to build that into the implementation plan. Certainly, now is the time, rather than later, to determine the key needs and areas for evaluation and to identify the date for an objective assessment. There is somewhat of a record of us undertaking an evaluation and belatedly finding out we haven't collected the right information to be able to do a good evaluation of the processes.

This type of focused evaluation will help to identify gaps in the process, incorporate lessons learned and ensure we are meeting the intended outcomes established by the Ministerial Subcommittee for Infrastructure. I'm thinking quantitatively in some respects. I would like to see this plan. I know Members would be interested in reviewing this evaluation framework and having it become a bit of a formal process reported in the House, back to the Assembly here, in a way that the public can feel confidence in what our experience is. It brings an element of accountability that we should willingly assume.

On the environmental side, again with infrastructure, I would like to see a protocol developed that gives each infrastructure an objective environmental sustainability rating that will allow us to truly consider the environmental impacts and benefits of projects on a comparable basis. Again, this is just a progressive way at getting a grip on the realities that we are facing.

I have a general concern — and we've talked about this a little bit — about the level of expenditures on electronic data processing and records storage for our relatively modest population of 40 some thousand people. This seems to be like quicksand, basically. It's time for us to step back and consider

how far and how fast we want to go down this road. I know there are some efficiencies; we need to be able to interact with the rest of the world. I recognize that the health records and systems interact, especially with Alberta, and have special needs. So I throw this comment out with those sorts of caveats on it.

But in the vast majority of cases these are not frontline delivery questions, and we have a lot of frontline delivery questions that are not getting the attention they need. We need a critical look here and a balance, recognizing that these are, to some extent, common to everybody. I suspect there is an opportunity here for some critical evaluation and perhaps some savings. I know we are also playing a little catch-up there in terms of storage and so on. So I want to leave it at that, and thank you for the opportunity to comment.

Chairman (Mr. Abernethy): Thank you, Mr. Bromley. Minister Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. As the Member noted, the Dettah road reconstruction is out there somewhere. It's not readily apparent over the next number of years, but we appreciate the comment.

On the issue of a protocol for environmental sustainability ratings I'll have to ask at the appropriate time for Mr. Aumond to reply to that. Clearly, the issues of energy efficiencies and the long term value we're going to get for the money we are spending on the capital project are very important ones in this day and age. I might ask, Mr. Chair, with your indulgence, if Mr. Aumond might add a few comments on that, and I'll come back to some of the Member's other concerns.

Chairman (Mr. Abernethy): Thank you, Minister Miltenberger. Mr. Aumond.

Mr. Aumond: Thank you, Mr. Chair. We don't really have an environmental or sustainability rating for each of our facilities. Usually we try to achieve the lowest life cycle costs for the building over its life, which would include maximizing energy efficiency of the building, which would intuitively reduce the greenhouse gases as well.

Through our design criteria and our good building practices, we do have design criteria that will exceed the national energy code by at least 25 per cent. I would put our buildings, energy efficiency wise, against anyone's in the country from that aspect.

We try to reduce the impact on the environment by reducing the amount of energy we need to operate, to heat the building and ventilate air through the building, et cetera. It is something we could look at and we could explore. I would be happy to at the

appropriate time. Maybe we could come back to committee and have that discussion.

Hon. Michael Miltenberger: Just quickly to conclude the issue of the evaluation process framework and the interest of the committee to see that work, we could commit to share that information and get feedback so that we can design the best evaluation framework possible. We will work with the folks from program review as well, since we want to be consistent as we do our evaluations across government.

The issue of IT costs is a difficult one. One of the biggest issues, of course, is the short life cycles that a lot of the equipment has. I'm one of the older Members here. I come from the days when they still used Telex; they didn't have faxes initially. We definitely have invested significantly in all the new developments. It's a discussion that is consistently challenging for us. We are very dependent on the systems we have for their efficiencies and the time and ability to respond in very fast turnaround fashion.

For example, with e-mail the expectation is that you can correspond with people, and you want an answer within minutes of sending the e-mail. You're hoping that somebody has looked at it and you're going to get some type of response, whereas in the old days you'd have to write an old fashioned letter and stick it in the mail.

There are costs to the speed and timeliness. That discussion, as the Member said, can be like quicksand. It's an investment that has to be sustained and maintained.

Chairman (Mr. Abernethy): Thank you, Minister Miltenberger. Next on the list is Mr. Jacobson.

Mr. Jacobson: Thank you, Mr. Chair. In the Capital Estimates for the next year and the next three years I guess we must have fallen off the list. It's not fair for Nunakput and it's not fair for Tu Nedhe. All week my Member's statements have been regarding the elders facility I want to get built in Tuktoyaktuk. We're not wanting to send our elders away from their homes. It's simple little things like that.

In Tuk there's overcrowding in the school. Having to share bathrooms, it's not right. We've got sea cans outside for storage, but then we can build a \$130 million super school in Inuvik, where I attended high school. It's just not fair to us. My people expect to be treated fairly; I expect to get no more and no less for my people. I'm here to almost stir things up today, I guess. I'm not making any friends here.

In Sachs Harbour we've got a water truck pump that breaks down. It takes two to three days before parts are flown into the community to get water delivered. That's not right.

Talking to the monies we are getting for the next three years, I probably couldn't even buy the insulation for the retrofit at Kam Lake school if it wasn't for the federal monies that are going in through the Building Canada Fund for my access road. This is not fair.

My people have the highest cost of living in the Northwest Territories. I have elders — I sound like a broken record sometimes in regard to telling you — who have no groceries; families are living from day to day; power bills are too high. After seeing this, oh man, I've got to try to get on this list somehow. If it means clawbacks, it's got to be done.

We're really busy trying to get on the list for the stuff I am bringing up. I'll be bringing stuff in the House next week to see if we could put them on the list. Some Ministers' ridings have got some stuff put on the list for this last year that has been pushed through. Hopefully, I'll get the same satisfaction of seeing something done.

The Minister said earlier in his statement that the \$12 million capital needs for the 20 year assessment has got to be looked at sooner than later. It's got to be fair. All the money that I'm hearing.... It's not right; it's not fair for the people. You've got four communities in the Northwest Territories that are like a vacuum for this money, but then the small communities are waiting for handouts. It's not right.

Like I said, we fell off the list; I'm trying to get back on. We need to meet the needs of my people of Nunakput and be treated fairly on this.

Chairman (Mr. Abernethy): Thank you, Mr. Jacobson. Minister Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. I appreciate the Member's concerns and comments.

I'd just like to add another project that's on the list that should help with the cost of living. If we move forward once again with the ability to progress on our alternative energy priorities, the Tuk wind farm, which would be a significant investment, is one of the ones on the top of the list to be done when those resources become available.

I'd also like to suggest that even though it's not part of this capital plan, there is the housing capital allocation for communities that may be of interest. I'm not sure what's all in there for the '09–10 budget, but it would help round off some of the concerns. Many of the concerns raised by Members in regard to the capital plan actually touched on housing, just as an information item.

The other comment is with the infrastructure money to communities. The Member for Nunakput's

communities will be getting \$4.6 million as well for their community needs over the coming year, '09–10.

Mr. Jacobson: To answer, Mr. Minister, \$4.6 million is a lot of money. Probably you get that on the interest rate on your \$100 million school we're building. All I'm going to say, again, is that it's not fair. We've got to do something about it. If it wasn't for the federal monies, I wouldn't be getting anything. Thank you. That's all I have to say.

Chairman (Mr. Abernethy): Thank you, Mr. Jacobson. I didn't hear a question. I'll take it as a comment. Next on my list is Mr. Beaulieu.

Mr. Beaulieu: Thank you, Mr. Chair. It's a question for the Minister. I'm fairly certain that the deferred maintenance program is for buildings only, but just for confirmation I want to know if the GNWT did an evaluation of its buildings, roads and equipment prior to the expenditures for this year, the '08–09 \$5 million expenditures. I was wondering if there was any evaluation done prior to that to determine the cap, to determine where the money got spent.

Chairman (Mr. Abernethy): Thank you, Mr. Beaulieu. Minister Miltenberger.

Hon. Michael Miltenberger: Thank you, Mr. Chairman. The initial work on quantifying the deferred maintenance amount was focused on buildings only.

Mr. Beaulieu: Did the GNWT evaluate its buildings to complete the deferred maintenance programs in order to determine the allocations for this year and future years?

Chairman (Mr. Bromley): Thank you, Mr. Beaulieu. Mr. Aumond.

Mr. Aumond: Thank you, Mr. Chair. Yes, we have inspected close to 500 assets to date. We've sorted them by community but also sorted them by priority. With the money we do have available through the deferred maintenance initiative, also through combining with the large capital plan, our intention is to address the priority one, which is the critical infrastructure and is estimated at around \$20 million out of the \$350 million or so we've identified to date. That's spread out among most of the communities we've identified, and we've shared the plan for '08–09 with the committee. We do have a four year plan as well that we can share.

Mr. Beaulieu: Just to confirm, the Department of Public Works will share the deferred maintenance plan with Regular Members.

Hon. Michael Miltenberger: We can share the plan. The '09–10 plan has already been shared with committee and with Members. As the year is going forward, we can also share as well.

Mr. Beaulieu: I must have missed that. I didn't see the deferred maintenance plan, but that's good. I'll look forward to getting a copy of the deferred maintenance plan for this year and just look forward to receiving the rest of the plan.

Chairman (Mr. Abernethy): Thank you, Mr. Beaulieu. I didn't hear a question, more of a comment. Next on my list is Mr. Ramsay.

Mr. Ramsay: Thank you, Mr. Chairman. I just had a couple of questions, and they get back to the planning process and how things are signed off.

When we look at negotiated contracts.... There was a bit of an exchange earlier today. I just wanted, I guess, to get some clarity on where in the process a negotiated contract is signed off, when exactly that happens. Maybe the Minister could help me out a little bit.

On a negotiated contract when in the process does that get signed? I'm asking, because earlier today a Minister said that a contract was signed. But if it hasn't been approved by us, what contract are you signing? What's it for, and how much is it for?

Chairman (Mr. Abernethy): Thank you, Mr. Ramsay. Mr. Aumond.

Mr. Aumond: Thank you, Mr. Chair. There is a Negotiated Contracts Policy that this government must follow when awarding contracts through that type of process. Generally, the conditions on a negotiated contract are that you need to have community support through the support of the mayor and the MLA, and it has to have Cabinet approval.

Once Cabinet has approved a negotiated contract, you still need to negotiate that contract with the contractor on the agreed upon price. If you can't come to an agreement on a price, then you need to go back and seek authority for more money, if that's the case. Sometimes you can't reach a deal and you don't follow through with a negotiated contract. There's a policy in place that must be adhered to, and it's a public policy. It's been around for a long time. It was just revised last fall. That has to be followed and is followed.

Mr. Ramsay: What was agreed to last year in terms of capital dollars for the school in Inuvik? Again, I'm not saying we shouldn't be building a school or anything like that — I don't want to upset anybody — but how much is that school going to cost us today, and are we still negotiating how much it's going to cost us? I think that's a legitimate question. I'd be asking the same question if that school was being built in Yellowknife; trust me.

Mr. Aumond: We have awarded a contract for the school in Inuvik, but we have not signed a contract between the parties. The parties have agreed on a

price, subject to the final details being worked out, and the price is within the authority that the department had been given by Cabinet to negotiate the contract for.

Mr. Ramsay: I'm just having a little bit of trouble understanding, then, because earlier today, I believe, the Minister said that a contract was signed. Specifically, what are they signing? Obviously, it sounds like the negotiations are still ongoing; there hasn't been approval. When does the approval of the Members of this House come into play? I know we approved some dollars last year, but they're carried over, and that project still hasn't proceeded. So what are we signing? Is it a blank cheque?

Mr. Aumond: Essentially, we have authority to negotiate up to a certain limit by Cabinet. We have an agreement with the contractor on that price. There are still some other administrative details to be worked out before the contract can be signed. We have a letter of award to the contractor, and we have not yet signed a contract. There are still some details to be worked out, but the price has been agreed to, and it is within the authority that we have from Cabinet to negotiate the contract for.

Mr. Ramsay: Was that amount approved by this House, or was that amount approved by Cabinet?

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

Hon. Michael Miltenberger: Thank you, Mr. Chairman. Contracts are always subject to approval by the House.

Mr. Ramsay: Again, I'm just having a little bit of trouble understanding how you can award a contract that hasn't been approved by the House. Anyway, I guess it's just a funny thing when you're negotiating what would appear.... I mean, nobody has yet told me what exactly it's going to cost. There have been numbers thrown around, anywhere between \$120 million and \$140 million.

If I could, I'd just provide a recommendation, if you will. This is a project for which we need to expedite the process; we need to find out exactly what we're building and put a cap on it before it grows in cost any more than it already has. I would put this at the top of the priority list. When you're going out there and trying to get a project completed, let's dot the i's, cross the t's and do whatever you can to make sure that this project doesn't increase in cost by any more millions of dollars. I haven't heard anybody tell me exactly what it's going to cost, because I don't think anybody knows. Mr. Chairman, I think we should know, and we should try to nail it down and get it done.

Hon. Michael Miltenberger: Mr. Chairman, we have a very clear, specific figure that's been agreed

to, but the contracting process has not been concluded. Therefore, we have to respect the confidentiality of that process until the final documents have been signed. Once those documents have finally been signed, we would be very willing to share that number with the committee. Thank you.

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

Mrs. Groenewegen: Okay; I'm going to jump in on this one here. Mr. Miltenberger says we have a very clear price we have agreed to. Is the very clear price we have agreed to the price that was authorized? Was it the dollar amount that was authorized that was approved by this House that somebody — I don't know; Mr. Roland? — just referred to and said it was approved in last year's budget? Is it the same amount?

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

Hon. Michael Miltenberger: Thank you, Mr. Chairman. It's within the appropriation.

Mrs. Groenewegen: It's within the appropriation. This is really getting confusing. Earlier today Mr. Lafferty said the contract for the Inuvik school has been awarded. Mr. Miltenberger says a very clear price has been agreed to. I'm sure there was a very clear price agreed to when we approved the budget last year for this particular capital project. Was the amount agreed to in the award of the contract the same as what this House voted to approve? Yes or no? Thank you.

Hon. Michael Miltenberger: The number that's in the capital plan of \$115.365 million, the number that's been agreed to, though not finally signed off by the Government of the Northwest Territories, is within that appropriation.

Mrs. Groenewegen: Was the amount agreed to in last year's capital plan and budget for the entire \$115 million, or was it for a portion of that?

Hon. Michael Miltenberger: Last year was for a portion of that \$115 million.

Mrs. Groenewegen: So in fact, then, Mr. Chairman, the amount that was indicated in the contract that has been awarded, which is a very clear amount, has not been approved by this House.

Hon. Michael Miltenberger: It's subject to approval by the House.

Mrs. Groenewegen: I'm sorry; I didn't hear that. It wasn't very loud. It is subject to the approval of this House. Is that what he said?

Chairman (Mr. Abernethy): Thank you, Mrs. Groenewegen. Yes, that's what he said. Mr. Aumond.

Mr. Aumond: Thank you, Mr. Chair. All of our construction contracts have a clause in there that they are subject to approval by the House. The appropriation must be approved by the House. That's a subject to clause. This project is no different. It's subject to the approval of the House in the plan before you today.

We have awarded and we gave a letter of award for the contract on the project. We have not signed a contract with the contractor as there are still details to be worked out. But this contract, like any other, is subject to approval of this House. Thank you.

Mrs. Groenewegen: Okay. So if this House does not approve this appropriation and this contract has already been awarded, what position does this government find itself in if we do not proceed with this contract that's been awarded? If we do not agree to the appropriation for this project, what kind of exposure have we got?

Mr. Aumond: We have not signed a contract with the contractor, so we have no exposure to the contractor.

Mrs. Groenewegen: So we have awarded the contract, but we haven't signed the contract. You know, this is kind of a fine line here. Does the awarding of the contract in any way legally bind this government to this contract in the absence of the actual appropriation of the money approved in this House?

Hon. Michael Miltenberger: No.

Mrs. Groenewegen: The details that the Minister and the deputy minister referred to that need to be worked out: are there dollar and value issues associated with those details?

Hon. Michael Miltenberger: The issues are to do more with issues tied to bonding issues and such.

Mrs. Groenewegen: Just as a matter of process, who would have signed off on the award of this contract?

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

Mr. Aumond: Thank you, Mr. Chair. We gave a letter of award. We did not sign off on the award of the contract. It's a standard practice to us when we come to an agreement on the fundamental aspects of a contract that we provide a letter of award — it's like a letter of intent when you're entering into a lease — subject to working out all the terms and conditions of the contract, which we have not yet done, which is why we have not yet signed the contract.

Mrs. Groenewegen: Did the letter of award subject to working out the details also include subject to the approval of this House, and did that letter of intent include a dollar value, and are we capped at that dollar value?

Mr. Aumond: We are capped to the dollar value in the letter of award, and the contract is subject to the appropriation being made available by this House.

Mrs. Groenewegen: So to my question, then, just to be clear: in the letter of award is that clause included in that letter, that that is subject to the approval of this House?

Mr. Aumond: No. The letter of award does not state that it's subject to approval of the House. The contract does.

Mrs. Groenewegen: This is probably the largest capital project built in the history of our government, barring the Deh Cho Bridge, which is a P3 and a little bit different but an actual project within the purview of this government. To my knowledge this is the largest capital project ever built. Could we get some rationalization for why it was a negotiated contract as opposed to a competitive process? Were other means of procuring this project considered, like breaking it up into smaller pieces? On a negotiated contract, when the process has been described previously as having to meet with the agreement of the MLA, the mayor and the Cabinet, was the MLA who approved the negotiated contract the MLA for Inuvik Boot Lake, the Premier and the Chair of the Financial Management Board?

Hon. Michael Miltenberger: I'm sure there are some very pointed questions that have some possible implications here. I want to be careful. This negotiated contract process was followed. It was supported by the Gwich'in in Inuvialuit, the mayor and the folks in the region. It's within the Gwich'in Settlement Area, where we have an agreement for contracts. It has followed due process. It was brought forward through the appropriate channels and was approved based on the support from the Inuvialuit, Gwich'in, MLAs, the mayor and all the required community people.

Ms. Groenewegen: It's a long period of time, so this will be end of my pointed questions. I thought pointed questions were allowed.

The question I asked previously was: were other procurement options than a negotiated contract considered for this particular capital project given its size and the cost to this government?

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

Mr. Aumond: Thank you, Mr. Chair. Yes, we were originally planning to design the school and put it out to tender. However, as I explained in standing

committee, based on our track record of, I guess, enticing competition, we knew that we ran a pretty good chance of designing the project until its completion, putting it out to tender and only having one company bid on it.

Then as we were working our way through the design process, we had a request for a negotiated contract. We went through the policy, the approvals were sought and received, and then we brought in the contractor in the early part of the project to get their input on the buildability of the project, with the intention of trying to save money. In a way it did provide some value to the design at that point. Construction costs were in excess of about \$110 million. Through the use of value engineering brought forward by the contractor, we were able to get that down under a hundred million dollars for the construction. Based on previous experience, such as in Fort Good Hope when we put a design build-up for a school, we only really had one contractor. We did have a southern based contractor bid on the school, but we ended up paying a \$1.3 million VIP premium on that facility. So I think we're getting fair value if you look at what the costs are for this school versus what we're paying for the renovation of St. Joe's, where it's a renovation project. You know, the cost of construction is around \$6,100 to \$6,200 a square metre. That cost was a given last year. Remember, we saved \$9 million on that school.

The school in Inuvik is really two schools under one roof. It's K to 12. It's about four times the size of St. Joe's, and St. Joe's is about \$30 million. So if you look at the ratio proportion — plus this is a cost that's going to be carried over the next four years — I think the cost is quite reasonable given what we're paying here in Yellowknife for construction now for St. Joe's or what we paid in N'dilo for École Allain St-Cyr.

So to answer the MLA's questions, we did consider other options. However, we have a process for a negotiated contract that was supported by the region and the community, and I think we're getting decent value for the proposal that we have in front of us. Thank you.

Hon. Michael Miltenberger: Mr. Chair, I just wanted to reiterate for the record that this project is replacing Sir Alexander Mackenzie and Samuel Hearne, two fairly large schools, and as Mr. Aumond indicated, it's going to provide the schools under one roof. Those are two large facilities. There's a large school population. So we have to keep that in mind as well. It speaks to the size. Thank you.

Ms. Groenewegen: Mr. Chairman, I would like to move that we report progress. Our Members are little down on this side, so I will ask to report progress, please.

Chairman (Mr. Bromley): Thank you, Mrs. Groenewegen. Unfortunately, we do not have a quorum on the floor, so we'll ring the bell, unless you have another comment.

Thank you. We do have a quorum. The motion is in order and not debatable.

Motion carried.

Chairman (Mr. Bromley): I will now move and report progress. I'd like to thank the Minister and the witnesses. The Sergeant-at-Arms may escort the witnesses out of the House. Thank you.

Report of Committee of the Whole

The House resumed.

Mr. Speaker: Can I have the report of the Committee of the Whole, Mr. Bromley.

Mr. Bromley: Thank you, Mr. Speaker. Your committee has been considering Tabled Document 93-16(2), Northwest Territories Capital Estimates 2009–2010, and would like to report progress.

Mr. Speaker, I move that the report of the Committee of the Whole be concurred with. Thank you.

Mr. Speaker: Thank you, Mr. Bromley. A motion is on the floor. Seconded, the honourable Member for Nunakput, Mr. Jacobson.

Motion carried.

Mr. Speaker: Item 22, third reading of bills. Mr. Clerk, item 23, Orders of the Day.

Orders of the Day

Deputy Clerk (Mr. Schauerte): Mr. Speaker, Orders of the Day for Thursday, October 9, 1:30 p.m.

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

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| 11) Replies to Opening Address | 20) Consideration in Committee of the Whole of Bills and Other Matters |
| 12) Petitions | MS 80-16(2): Sessional Statement |
| 13) Reports of Committees on the Review of Bills | TD 93-16(2): Northwest Territories Capital Estimates 2009–2010 |
| 14) Tabling of Documents | 21) Report of Committee of the Whole |
| 15) Notices of Motion | 22) Third Reading of Bills |
| 16) Notices of Motion for First Reading of Bills | 23) Orders of the Day |
| 17) Motions | |
| Motion 22-16(2): Extended Adjournment of the House to October 15, 2008 (Bisaro) | Mr. Speaker: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Thursday, October 9, at 1:30 p.m. |
| 18) First Reading of Bills | |
| 19) Second Reading of Bills | The House adjourned at 5:49 p.m. |

