



NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

3rd Session

Day 36

15th Assembly

HANSARD

Tuesday, February 15, 2005

Pages 1225 - 1264

The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Published under the authority of the Speaker of the Legislative Assembly of the Northwest Territories

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YELLOWKNIFE, NORTHWEST TERRITORIES**Tuesday, February 15, 2005****Members Present**

Honourable Brendan Bell, Mr. Braden, Honourable Paul Delorey, Honourable Charles Dent, Mrs. Groenewegen, Honourable Joe Handley, Mr. Hawkins, Honourable David Krutko, Ms. Lee, Honourable Michael McLeod, Mr. McLeod, Mr. Menicoche, Honourable Michael Miltenberger, Mr. Pokiak, Mr. Ramsay, Honourable Floyd Roland, Mr. Villeneuve, Mr. Yakeleya, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Good afternoon, Members. Before we begin, Members will notice we have hung the large Canadian flag in the Chamber today. This display is usually reserved for Canada Day, however today is both National Flag Day, as well as the 40th anniversary of the Canadian flag.

---Applause

The search for the Canadian flag started as early as 1925 but never really got off the ground until 1964 when, out of 2,600 submitted designs, a specially struck Senate and House of Commons committee was left with three possible designs, including a red flag with a single, stylized red maple leaf on a white square with red bars. After much deliberation, the committee eventually decided to recommend the single leaf design submitted by Dr. George Stanley, dean of arts, at the Royal Military College in Kingston. It was approved by resolution of the House of Commons on December 17, 1964, and proclaimed by Her Majesty Queen Elizabeth II, the Queen of Canada, to take effect on February 15, 1965.

I recently heard that the original Canadian flag that flew on the Peace Tower in Ottawa was relocated after having been lost to close to four years. I don't think we will have any difficulty finding this flag that is hanging behind us today any time soon. It's safe to say that this was not the original flag that flew on the Peace Tower.

Please join me in celebrating National Flag Day and this historic 40th anniversary of the Canadian flag.

---Applause

Members, before we begin, I would like to draw your attention to the Speaker's Gallery and the presence of former Member and former Speaker of this House, Mr. Tony Whitford.

---Applause

Item 2, Ministers' statements. The honourable Minister of Education, Culture and Employment, Mr. Dent.

ITEM 2: MINISTERS' STATEMENTS**Minister's Statement 79-15(3): Celebrating Aurora College Week**

HON. CHARLES DENT: Thank you, Mr. Speaker. Good afternoon. February 14th to the 18th is Aurora College Week, and this year there is a lot to celebrate. Throughout the week, the college will continue to hold events to celebrate its vital role in post-secondary and adult education and training in the Northwest Territories.

This year there are 412 full-time students attending a variety of programs through Aurora College, including adult basic education, trades and technology programs, and career and professional programs. Graduates of these programs have the opportunity to further their studies at universities through partnerships the college has arranged over a number of years. Graduates are also getting jobs across the North. The development of a northern workforce is an important goal of our post-secondary system.

I mentioned in my opening that there is a lot to celebrate and I would like to cite a number of examples of achievements. The college has recently received an award for its Diamond Polishing program, the Yves Landry Award for Educational Innovation. The Yves Landry Foundation provides the opportunity for business, education and government to collectively be part of the solution to advance technological education and skills training in order to resolve the skilled labour shortages facing Canadian industries.

A number of Aurora College students have also been recognized recently for excellence in their fields of study.

The Governor General's Academic Medal was awarded to John McKinnon from Fort Smith. The Governor General's medal is awarded to an Aurora College student with the highest academic achievement. John McKinnon is enrolled in the Natural Resources Technology Program at Thebacha Campus.

Steven Bounds from Norman Wells received the In-course Millennium Excellence Award. This award supports students who are beginning post-secondary studies for the first time and who have demonstrated academic achievements, community involvement, the ability to lead and motivate others and an interest in innovation and academic achievement.

The CN Scholarship for Women, which encourages women to seek careers in trades and technology, was awarded to Brenda Kikoak of Inuvik, currently enrolled in the Natural Resources Technology Program at Aurora Campus.

Finally, the Enbridge Pipeline Scholarship was awarded to two Aurora College students: Ericson Sanguiez from Jean Marie River, and Rebecca Jumbo from Trout Lake.

In addition to all of these awards, the college is celebrating the 10th anniversary of the Northern Nursing Program at the Yellowknife Campus. Over 120 nurses have graduated from the program and many of them have found jobs in the NWT. The Diploma in Nursing, which was completely developed and delivered in the NWT, has recently partnered with the University of Victoria and the Collaborative Nursing Project of British Columbia to deliver a Baccalaureate of Science in Nursing; BSN. The

entire degree program is now offered in Yellowknife and will see its first graduates in 2006.

In closing, I invite Members of this House to join the college in celebrating Aurora College Week. Thank you.

---Applause

Minister's Statement 80-15(3): Clarification Of Status Of Women's Council Role In GNWT Initiatives

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, on October 28, 2004, Mrs. Groenewegen asked me to confirm that the NWT Status of Women Council was invited to be a full participant in the preparation of the NWT action plan on family violence. I would like to clarify my answers to Mrs. Groenewegen.

The Coalition Against Family Violence developed the NWT action plan on family violence, 2003-2008, and presented it to the Government of the Northwest Territories in October of 2003. The Status of Women Council is a member of that coalition.

To develop a response, the GNWT brought together representatives from several GNWT departments that had a role in the prevention of family violence. That group prepared the Government of the Northwest Territories response to the coalition's action plan referred to by Mrs. Groenewegen. No non-government agencies were involved in the development of the GNWT's response. I apologize for the confusion caused by my earlier comments about this issue.

The Status of Women Council was not involved in the development of the GNWT response. They were, however, invited to review the public awareness plan related to the implementation of the family violence action plan but did not attend those meetings.

The Status of Women Council does, however, remain actively involved in the monitoring of the GNWT response. I have been in contact with them to discuss a meeting with their board to provide an update on the actions that the GNWT continues to take to meet our commitments to help prevent family violence in the NWT. Prior to the meeting, I will be updating the Coalition Against Family Violence by letter on the status of the GNWT's action. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Hawkins.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Access To Medical Health Services

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I rise today because families in Yellowknife are still having trouble getting a family doctor and even simply seeing a doctor.

Mr. Speaker, I believe, a few years ago, the change from switching family doctors to go from fee-for-service to salary has caused a serious gap in service delivery. Mr. Speaker, a few years ago, we had 14 doctors seeing approximately 40 patients a day, but today we have approximately 20 doctors a day seeing 20 patients a day. That is 80 visits a day short, Mr. Speaker, that our

constituents and our families are missing out on an opportunity to see a doctor.

Mr. Speaker, how many doctors do we need to make up those levels that we were seeing a few years ago? Mr. Speaker, we would need 35 doctors to see all the patients who needed to be seen at 2000 levels.

Mr. Speaker, there are also other problems at this time that need to be pointed out, problems such as one visit with one issue. Mr. Speaker, in a 15-minute allotment of time to see a doctor, you are allowed to see them on one issue. So if you are there for five minutes, you aren't allowed to say, what about this? The doctor will say make another appointment.

Mr. Speaker, there are no incentives for the doctors to deal with more than one issue. There is no incentive to see these patients and make sure they get the health care that they need. I think switching them to salary has taken a step backwards in our service delivery, Mr. Speaker. Mr. Speaker, I have even heard rumours that the doctors now want to see 16 patients a day, not 20. I want to make sure that that is not the case because, at 16, we are going to need a lot more doctors to deliver the same services 14 doctors delivered a few years ago.

Mr. Speaker, the question would be, how many doctors will be enough. Later today, I will be asking the Minister responsible, and I hope we will get some clear answers. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Hawkins. Item 3, Members' statements. The honourable Member for Range Lake, Ms. Lee.

Member's Statement On Need For A Youth Shelter

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I would like to speak today about the need for a youth shelter in Yellowknife; a place where youth can go, not just during the day and early evenings, but through the night if necessary, a place where they can take shelter from the elements and be safe from the influences of alcohol and drugs and other negative sides of night life.

Mr. Speaker, I know it is hard to accept, but the fact of the matter is that we do have youth in our community, especially on weekends, who have no place to go because, for many of them, their home is not what a home should be. They have to get away from their own families because they often abuse alcohol and drugs and degenerate into fights and arguments, and they don't want to be a part of it. If they are lucky, Mr. Speaker, they are taken in by the families of their friends, but this cannot be counted on on a permanent basis. So they go to the youth centre to get away, but the problem is that the youth centre closes at midnight.

So what do they do? They leave the youth centre and go straight down to the Gold Range street. They go there and watch the adults, many of whom they know, pouring out of the bars until two o'clock in the morning. Otherwise, Mr. Speaker, even in the dead of winter, they literally walk the streets all night long because they have no place to go. I am told that even when the RCMP stops them, they are not able to offer any assistance because they don't really have much option either.

The fact is, Mr. Speaker, there are basic shelters for adult males, adult females, and adults with families, however wanting they may be. For those under the age of 16, the child welfare system moves in where warranted, but for those between 16 and 18, they are caught in a legal limbo, left to fend for themselves.

We, as a society, turn a blind eye on the whole situation, and we wonder why they turn up on the wrong side of the law in no time. Surely, Mr. Speaker, in the affluent society we live in, we can do better by these young people.

I have written to the Minister of Health and Social Services about this, but I have not heard from him. I understand that the SideDoor has proposed a package and will be going to the appropriate agencies for funding. I would like to call upon the government to step up to the plate and work with all of the partners and do the right thing by our precious young people and support the package for an all-night shelter. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Item 3, Members' statements. The honourable Member for Kam Lake, Mr. Ramsay.

Member's Statement On Deton'Cho Corporation Access To Commissioner's Land At The Sandpits

MR. RAMSAY: Thank you, Mr. Speaker. My statement today is with regard to the decision the Minister of Municipal and Community Affairs made in providing permission to the Yellowknives Dene's business arm, Deton'Cho Corporation, to access a portion of Commissioner's land located within the municipal boundaries of the city of Yellowknife, an area commonly referred to as the sandpits.

First off, I would like to applaud the efforts of the Deton'Cho Corporation and the chiefs of the Yellowknives Dene in embarking on this initiative. However, there are some serious concerns that I have with how this happened and why it happened the way it did. I was a councillor with the City of Yellowknife in 1997 when we applied, through MACA, for the same parcel of land. We had absolutely no response from the department at that time. The city applied again in October of 2004 for the same parcel of land and was told that the consultation process would have to be embarked upon. It came as a complete shock to myself and to the City of Yellowknife that MACA had given permission to access a portion of the sandpits for geotechnical and engineering work to the Deton'Cho Corporation and a southern firm that are planning a residential housing development on that site.

My understanding of the Interim Measures Agreement is that this action by MACA goes against the protocol as set out in the IMA. It sets a very dangerous precedent in going forward. From much of the information I have seen, the future development of the Yellowknife Airport is on the west side of the property, which would be about the area currently under review by the Deton'Cho Corporation. I am not sure the Minister of MACA has ever flown in or out of the city of Fort McMurray, but I would like to tell him that the wheels of the plane almost touch the roofs of the homes in Fort McMurray. By granting access of the sandpits to Deton'Cho, the Minister is saying that his department is condoning residential development in this area, even though he knows this is not in the general plan

of the City of Yellowknife, a plan which he agrees with and approves of.

What is happening with the joint survey the Department of MACA is undergoing with the Yellowknife Shooting Club and the City of Yellowknife? What about the seismic array? What about the Department of Transportation concerns? The City of Yellowknife issues, the Kam Lake access road, where do all of these issues fit if the Deton'Cho Corporation proceeds with a housing development at the sandpits?

Mr. Speaker, I am very interested and concerned over the decision and how it was made. At the appropriate time on today's order paper, I will have questions for the Minister of Municipal and Community Affairs. Thank you.

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

Member's Statement On Winter Road Conditions In The Sahtu Region

MR. YAKELEYA: Thank you, Mr. Speaker. My Member's statement today has to do with the road conditions of our goat trail in the Sahtu, our winter road. Mr. Speaker, I received numerous complaints from the people in the Sahtu about our winter road conditions, the wear and tear that is on the winter road and the number of trucks that are going up through the Sahtu to haul rigs or bring supplies into our region. Also, for the people who are travelling out of the Sahtu in that short period of time who come to places like Yellowknife, Hay River and Fort Simpson to do their winter shopping and also to do their vacationing. Because the cost is expensive to fly, people take this opportunity to travel down to these other centres to do their holidaying and shopping.

My constituents are very concerned because of the wear and tear of the road and the lack of maintenance. I understand that the department has done additional maintenance there, but there are still lots of bumps and grinds. Instead of us taking extra blankets and battery cables, we would take springs and shocks for us to equip our vehicle with. So they are very concerned about the deterioration of the winter road. This government putting some money into the winter roads would make it less painful for our people to go between communities.

We know industry has put some money into some of the roads, and there is a big difference between industry roads and government roads. They wanted me to bring this up to the Minister to see what could be done in terms of fixing up our goat trail that would make it into suitable winter roads in the Northwest Territories. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Fort Simpson Regional Airline Proposal

MR. MENICOCHÉ: Thank you, Mr. Speaker. Mr. Speaker, about a year ago, I brought to the attention of this House a proposal for a regional airline in Fort

Simpson. First Nation communities in my region have recognized an opportunity in the airline sector to capitalize on current economic and tourism development and growth to position themselves for the prospect of the Mackenzie gas project.

Mr. Speaker, this is a very exciting business opportunity for participating communities and the people in the Deh Cho. This business venture will be locally owned and controlled by the people of the region. They have developed a sound proposal and are hoping for the support of this government.

Unfortunately, Mr. Speaker, the government has yet to respond and offer their support. Time and time again, Ministers stand up in this House and talk about the importance of a secure economic future, building community capacity and opportunities for northern businesses in various economic sectors. All this sounds great and inspiring, but when there are no resources or funding attached to support locally-owned business to take advantage of any potential opportunities, where do they go when their own government won't support them?

Mr. Speaker, I am deeply concerned with the lack of support by the GNWT. The GNWT needs to recognize their responsibility to encourage northern businesses and aboriginal corporations. The window of opportunity here is large and the request is small. With just a little bit of assistance to get them off the ground, this is a company that really could take flight. Mahsi cho.

---Applause

MR. SPEAKER: Thank you, Mr. Menicoche. Item 3, Members' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

Member's Statement On Closure Of The Dene K'onia Young Offenders Facility

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, today I would like to commit to the public record an accounting of what we are losing by the closure of the Dene K'onia Young Offenders Facility in Hay River.

Mr. Speaker, last week in the Legislative Assembly in the visitors' gallery we had present with us many of the laid-off workers from the Dene K'onia and many of you, as you mingled with them, know who they are. This facility opened in 1986, almost 20 years ago; it was the longest-operating young offenders facility in the Northwest Territories. The collective years of services of the 12 full-time and 10 casual employees are over 210 years of experience and service.

Mr. Speaker, this facility provided remand, secure custody and open custody for male and female young offenders over the years. They offered unique programming, a cultural program, which involved hunting and living on the land, including a lands program. Some of their programming was also related to youth achievement; for example, the young people would learn First Aid, CPR, things like small engine repair, and practical life skills. They would do community hours; they earned high school credits through this. Some of the kids that were in the facility did go to the public school and, those who couldn't, received their education through an educational program that was offered in house.

Mr. Speaker, over the years, this facility and these workers affected the lives of many young people and many families; not just in the South Slave region, but from across the Northwest Territories. They received things like drug and alcohol counselling through the trained staff. They received the services of a psychologist for things like anger management, individual and group counselling.

Mr. Speaker, 85 percent of these workers were aboriginal people and more than half of them had spent their entire life in the Northwest Territories. They provide a tremendous benefit to the community. The young people themselves were involved with support for community events; they did work in the summer and the winter for seniors. They had a contract where they picked up garbage on the highway, then they would use that money to put together Christmas shoeboxes for less fortunate children in other countries. They were given work experience opportunities through local businesses in Hay River.

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

MR. SPEAKER: The honourable Member is seeking unanimous consent. Are there any nays? There are no nays. You may conclude your statement, Mrs. Groenewegen.

MRS. GROENEWEGEN: Mr. Speaker, besides the jobs that were created in Hay River from this facility and the community work that the staff was involved in, this facility also formed an integral part of our community. These young people volunteered at Woodland Manor in extended care. You would often see them out pushing wheelchairs for the elderly if they wanted to attend community events or parades. You would see these very young people out there contributing. They grew their own garden; they donated the food that they grew in their garden to the soup kitchen in Hay River.

Mr. Speaker, I want to speak just to the staff for a moment. They helped many young people and I would like to thank them on behalf of the people of Hay River, the South Slave and the Northwest Territories and on behalf of the kids who they helped. Mr. Speaker, what's happened here in terms of the change in government policy does not take away one bit from what they did for those young people and how they influenced their lives for good.

This government can take away their jobs, but they can never undo the value of what's been contributed by these people, and I will be continuing to work with them to ensure that their very valuable experience is put into good service for the people of the Northwest Territories. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mrs. Groenewegen. Item 3, Members' statements. The honourable Member for Great Slave, Mr. Braden.

Member's Statement On Excise Tax On Jewellery

MR. BRADEN: Mahsi, Mr. Speaker. Following World War I, the Canadian government introduced some pretty stiff taxes to help pay for the war effort. Included in these were things like luxury cars, boats, clothes and jewellery,

Mr. Speaker. Over the years, those excise taxes have been removed on everything except jewellery. Now this excise tax costs us 10 percent of retail for any item over \$3. It is hard to consider today, Mr. Speaker, that that can be considered a luxury tax. The information I have is that 50 percent of jewellery purchases are actually \$100 and they are made by low and middle-income Canadians, Mr. Speaker, so there really doesn't seem to be much use for this tax to be around anymore.

Now, this is a pretty interesting piece of work for us here in the Northwest Territories as we look at growing a cutting and polishing industry, based on Canadian diamonds, Mr. Speaker.

I want to acknowledge today the work of a federal MP, Mr. John Duncan, the Progressive Conservative Member for Vancouver Island North, who has managed to get a private Members' bill through to second reading -- it's now before the Finance committee in Ottawa -- to get rid of this tax. It is something that we really should be getting behind and supporting. I know that the jewellery industry across Canada has been looking for this kind of action for many, many years. The elimination of this tax might result, from what I'm told, in something in the neighbourhood of an \$80 million loss for the government. But let's put that up against the \$500 million the government is now getting in revenues just from our diamond mining alone, Mr. Speaker, and that means that it's time to axe this tax. Thank you very much.

---Applause

MR. SPEAKER: Thank you, Mr. Braden. Item 3, Members' statements. The honourable Member for Nunakput, Mr. Pokiak.

Member's Statement On Municipal Rural Infrastructure Fund

MR. POKIAK: Thank you, Mr. Speaker. Federal Ministers John Godfrey and Ethel Blondin-Andrew and territorial Minister Michael McLeod jointly announced new federal and territorial funding of \$32 million for the municipal rural infrastructure fund and a further \$90 million for highway projects, on January 18, 2005.

Mr. Speaker, my understanding of how this will work is that 55 percent of the fund is for non-tax-based communities and 45 percent is for tax-based communities. I applaud the federal and territorial governments on the recent announcement. However, we all know this funding is just the tip of the iceberg. Many communities need infrastructure and resources to address their requirements, especially non-tax-based communities, where we don't have the population to raise taxes or raise our own resource revenue shares.

With regard to the announcements for the funds for new highways, I listened with interest during the Finance Minister's budget address on how this money will be spent.

Mr. Speaker, the allocation of this new funding will, among other projects, include continuation of the completion of Highway No. 3 and the Ingraham Trail, not to mention 10 permanent bridges on the Mackenzie Valley winter road.

Mr. Speaker, I am disappointed that once again the Tuktoyaktuk-Inuvik highway has been left out of the vision

of one Canada, that would bring people together from the east coast to the west coast and eventually to the Beaufort coast. Since 2003, a total of \$63 million has been allocated to Corridors for Canada, without any funds allocated for the Tuktoyaktuk-Inuvik highway. This government should lobby for the connection of the Tuktoyaktuk-Inuvik highway to the Dempster Highway.

Mr. Speaker, my interpretation for the funding, as announced, is the new Highway Strategy should include the Tuktoyaktuk-Inuvik highway. This is new funding available for roads, et cetera. At the appropriate time I will address the question to the Minister of MACA and also the Minister of Transportation. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Pokiak. Item 3, Members' statements. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Member's Statement On Political Developments In Lutselk'e

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, today I rise to talk about some of the recent political developments that have taken place in my constituency; specifically the community of Lutselk'e over the past week. Currently, there is an interim committee put in place to oversee the operations of the Lutselk'e First Nations office and the band elections, which are slated to take place on February 24, 2005. A non-confidence vote brought forward by a majority of the band members last week to have the chief and council removed has been carried out. Now the members have to select a new chief and council.

Mr. Speaker, although actions such as this may seem hostile and retaliatory in nature, I would like to encourage my constituents to embrace this opportunity to learn and make some positive changes that will benefit the people, especially the youth. I hope, Mr. Speaker, that local developments such as this will teach everyone in the community a little about politics and how unpredictable, delicate, precarious and, at times, thankless a job can become for many people involved.

SOME HON. MEMBERS: Hear! Hear!

MR. VILLENEUVE: A good example of this was displayed here on this side of the House yesterday, if you recall, Mr. Speaker.

---Laughter

Mr. Speaker, myself being a new Member of this 15th Legislative Assembly, I have learned in the past year that things have to change and change is good. I support the residents of the Lutselk'e First Nations in addressing their issues with their leadership and the accountability concerns that they have in their financial management regime because these, I feel, are legitimate concerns and should not be construed as a personal attack toward anyone in the community.

In closing, Mr. Speaker, I would like to seek support from this government to assist the community of Lutselk'e in the pursuit of a fair, equitable and accountable First Nations community government that will reflect a positive light on the Akaitcho self-government negotiations taking

place between this government, the federal government and the First Nations groups. Mahsi, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Villeneuve. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. The honourable Member for Kam Lake, Mr. Ramsay.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I'd like to honour Mr. Whitford with his presence here today, the former Speaker of the House, Member of the House and Deputy Commissioner of the Northwest Territories. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Ramsay. Item 5, recognition of visitors in the gallery. I'd also like to recognize a former Page in this House whose name escapes me right now, but is present in the gallery.

MRS. GROENEWEGEN: Vital Manuel.

MR. SPEAKER: Vital Manuel. Yes. Welcome to the House.

---Applause

Item 5, recognition of visitors in the gallery. Item 6, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

ITEM 6: ORAL QUESTIONS

Question 382-15(3): Access To Medical Services

MR. HAWKINS: Thank you, Mr. Speaker. I rise again one more time today to again solidify my stressful concern about the lack of doctors seeing patients. Mr. Speaker, there still are a few doctors seeing patients on a fee-for-service basis, but I'm concerned that switching to salary has not increased the number of visits per day. Would the Minister of Health and Social Services provide some information today to show or explain if we're getting better services per visit per patient in our system? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. Minister of Health and Social Services, Mr. Miltenberger.

Return To Question 382-15(3): Access To Medical Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, the issue of wait times in Yellowknife is one with a number of components. The Member is correct that when we switched from fee-for-service to salary, the number of patients seen did drop. We have added doctors. In addition, we're also looking at some of the other complexities; for example, the fact that the doctors are employees of the Yellowknife Health and Social Services Board, but spend the majority of their time working at Stanton. We're looking at how the emergency room is structured. We're looking at the possibility of integrating the three downtown clinics into one more efficient and effective clinic that will have the capacity to

provide some of the basic clinic services that right now they can't, such as basic outpatient services, X-rays and such, that now they have to go to Stanton to get. This is an issue with many component pieces. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Supplementary, Mr. Hawkins.

Supplementary To Question 382-15(3): Access To Medical Services

MR. HAWKINS: Thank you, Mr. Speaker, and thank you, Mr. Miltenberger, for first acknowledging the fact that it isn't quite working out as it may have been dreamt of. I'm glad to hear that we're trying to strive forward. Mr. Speaker, I have people in Yellowknife who cannot get a family doctor. I have people who are told by the clinics that they have to go wait in emergency and, if it's not of a life or death nature, they have to sit there between four and six hours because they're not considered a priority at emergency. Mr. Speaker, how does the Minister plan to address that type of problem? I'd like to hear the Minister tell me that they're working towards a type of legislation that would make sure that no person is refused a family doctor and that they're served in a reasonable time. How is the Minister addressing that problem? Thank you, Mr. Speaker.

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

Further Return To Question 382-15(3): Access To Medical Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have a Collective Agreement with the Medical Association that's going to carry us into 2007-2008, but if I could just quickly reiterate some of the points that I gave in my last answer. We are looking at how emergency is currently structured, and the Member is correct, that it is estimated that anywhere from 40 to 50 percent of the people at emergency aren't really emergency patients; they could be seen in other areas such as in a clinic or by nurse practitioners. So we're looking at that and there's money in the budget for the renovation of Stanton, as well as the master plan which will look at how we structure the emergency ward. As I indicated, as well, we're also looking at the fact that we have three small, old, out-of-date clinics in the downtown that we're looking to consolidate into one more efficient and effective clinic; one that will hopefully have hours that go above and beyond 8:00 a.m. to 5:00 p.m. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Supplementary, Mr. Hawkins.

Supplementary To Question 382-15(3): Access To Medical Services

MR. HAWKINS: Thank you, Mr. Speaker. I really appreciate that detailed answer, Mr. Miltenberger. Mr. Speaker, I still have the problem that the Minister has identified, that the present Collective Agreement goes to 2007-2008 and, of course, we're working on this year's 2004-2005 budget, so that's approximately three years. I've even heard rumours that the doctors want to switch from 20 patients a day down to 16 patients a day. He did say that they're looking at expanding the hours, but is there any way we can talk about shifting forward quickly about seeing these missed appointment opportunities?

We have constituents out there who do not have family doctors. How does the Minister envision that we could solve that problem right away, and can you answer the 16-patient per day question? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. I heard about three questions there. Mr. Miltenberger, you may answer one or three. Mr. Miltenberger.

Further Return To Question 382-15(3): Access To Medical Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have, as I've indicated, a number of initiatives underway that are going to address the quality of care and access issues in Yellowknife. With regard to the Member's assertion that he's heard this rumour, I'm not in a position in this House to speak to that rumour. I have not heard that. I know what arrangements we do have with the doctors and I do know all the many plans we have underway to address the quality of care in Yellowknife. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Final supplementary, Mr. Hawkins.

Supplementary To Question 382-15(3): Access To Medical Services

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I respect the fact that the Minister doesn't want to talk about that subject, because it's out for bargaining or discussion on an informal basis. I can appreciate that, so I won't go into that. My last question is how does this Minister plan to address the fact that we still have families out there who can't get a family doctor? We could ask for 35 doctors coming to the city...

MR. SPEAKER: Thank you, Mr. Hawkins. I heard a question there. Mr. Miltenberger.

Further Return To Question 382-15(3): Access To Medical Services

HON. MICHAEL MILTENBERGER: Mr. Speaker, I'll just focus on reiterating one of the points that I raised, and that is that we are trying to come up with a blend at the clinic with the level of nurse practitioners, nurses and doctors that will help alleviate some of the waiting times and make access by patients to see the necessary medical people easier. We have a document in the works that will soon be coming forward through Cabinet and, hopefully, in the not-too-distant future to the Social Programs committee for discussion, that looks at how the hospitals and health centres are operating right now and some plans for improvements. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 6, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

Question 383-15(3): Young Offenders Sentenced To Custody

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, in my Member's statement today I talked about how I perceive the Dene K'onia Young Offenders Facility to have been a very major piece of the youth justice system in the Northwest Territories in helping young people who have come in contact with the legal system, with the court system, to get back on their feet and get

reintegrated into their communities. Mr. Speaker, I would like to ask the Minister of Justice what the alternative plan is now for dealing with young offenders who are sentenced in the courts to serve time. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The Minister of Justice, Mr. Dent.

Return To Question 383-15(3): Young Offenders Sentenced To Custody

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, for young offenders who are sentenced to custody through the courts, there has always been a range of options. One is if they're sentenced to the secure custody facility here in Yellowknife; it's available to house them. Typically what happens to offenders who are sentenced to secure custody, they go through that facility into an open custody facility and then move on into either a camp or a residential home. The goal is to try and integrate young offenders back into the community and move them as quickly as possible into a residential setting. What has happened is, with the numbers in custody over the last couple of years, we have a very limited number in open custody. Last week when I checked, we had six males in open custody, I believe, and with two facilities we couldn't justify keeping them both open. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mrs. Groenewegen.

Supplementary To Question 383-15(3): Young Offenders Sentenced To Custody

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, so you had two facilities: one completely staffed up with experienced people, operational; another one just finished being constructed, not staffed up, obviously newer people in those positions. What was the determining factor that made the choice between the two facilities to be that Yellowknife would be a facility open for open custody young offenders and that Hay River would be closed? Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 383-15(3): Young Offenders Sentenced To Custody

HON. CHARLES DENT: Thank you, Mr. Speaker. One of the reasons, Mr. Speaker, was that the facility in Yellowknife is a combined facility. One half of it is for secure custody and the other is open custody. Because it is the only secure custody facility in the Northwest Territories, we can't close the facility down. So the level of savings that could be achieved by not operating the open side were not nearly the same as what could be achieved by closing a facility down completely. That was one of the reasons. The other was just the fact, as the Member noted, that one was newer than the other, and the issue of programming is one that the facility has been operating for nearly two years now in Yellowknife. The programming is of a similar nature to that offered at Dene K'onia and we can offer the same types of programming. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mrs. Groenewegen.

Supplementary To Question 383-15(3): Young Offenders Sentenced To Custody

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, the Minister has indicated previously that the number of young people who are sentenced to open custody facilities has been reduced by new legislation that has come into place with respect to youth justice. At this time, the populations and the numbers are lower; the census is lower than it has been in the past. Does the Minister not see this as a temporary situation and, if he did see this as a temporary situation, what's the contingency plan for when those numbers come up again after you've dismantled this key piece of infrastructure? Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 383-15(3): Young Offenders Sentenced To Custody

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, if we look at all of the young offenders facilities that we have or the spaces that we have for young offenders right now, we're not anywhere near 50 percent occupancy. It will take some time before we get up to a level where we expect that we would need these facilities again. Whether it's two years, five years or 10 years, I can't predict how long it's going to be before we need more facilities. I would hope that we never need more facilities, but, if we do, then we can deal with that through either the provision of homes for young offenders, which is one of the preferred options. If necessary, we can even look at building a group home, which may be another option, and it was something that the Department of Justice proposed two or three years ago to replace Dene K'onia with in Hay River. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Final supplementary, Mrs. Groenewegen.

Supplementary To Question 383-15(3): Young Offenders Sentenced To Custody

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, so is the Minister saying that if the group home facility had been built in Hay River, that we would have an open custody facility operating in Hay River today? Because I look at the young offenders at Dene K'onia and it's a very similar layout and building type to any group home that I've ever seen. So when the Minister brings that up, is it to say that if they had built that facility that it would be open and operating today, and that with Dene K'onia we would not have seen the complete loss of this facility and these jobs in Hay River? Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 383-15(3): Young Offenders Sentenced To Custody

HON. CHARLES DENT: Thank you, Mr. Speaker. No, that wasn't the intent when I said that. I have no way of knowing what might have happened if there were different facilities in place. We've worked entirely on what was in place. My point was that a group home is not an expensive facility to build. It doesn't need to have security. It's basically a family home type of setting. So it is something that isn't expensive to add to the inventory if it's

ever needed, in comparison to a facility like the open custody facility we have here in Yellowknife. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 384-15(3): State Of Winter Roads In The Sahtu Region

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, in my Member's statement today I talked about the winter road in the Sahtu, the goat road we have up in the Sahtu. I think I'm going to ask some questions to the Minister. The Minister is aware of the concerns. He was in the Sahtu several times and has seen the road conditions. An official of his office made a commitment at a public meeting in the Sahtu several weeks ago, to travel that winter road and to make an assessment of the conditions. My question is for the Minister of Transportation. Will the Minister please provide the results of the recent assessment of the winter road in the Sahtu? Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister of Transportation, Mr. McLeod.

Return To Question 384-15(3): State Of Winter Roads In The Sahtu Region

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I want to make it clear that we don't provide funding for goat trails. We do, however, maintain the Mackenzie Valley winter road, and there has been concern raised over the section from Tulita to Norman Wells. We did have a number of meetings over the last while with the MLA and also with the community of Norman Wells, and we've had some written correspondence over the issue. We have looked at the condition of the road. We realize that we do not have the same level of maintenance and investment in this road as we had when we partnered up with industry for the last couple of years. We continue to do so in other sections. The Wrigley to Tulita road we have industry investing dollars there, and it has brought the road to a higher standard than we normally would maintain it; and also from Norman Wells to Colville Lake and Fort Good Hope. The conditions are a lot better than they normally are. We have increased our maintenance. We have looked at the road and we have decided that we should increase the maintenance on this road. We're also reviewing our plans in terms of if our funding allocation for this section is still adequate, considering we don't have a key player or industry investing in this section anymore. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Supplementary, Mr. Yakeleya.

Supplementary To Question 384-15(3): State Of Winter Roads In The Sahtu Region

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, the Minister touched on a key point of our winter roads and I hope that our goat road does become an acceptable highway system in the Northwest Territories. But the industry has used our winter roads quite a bit and, as you know, Mr. Speaker, it takes between 80 and 90 truckloads to haul a rig here and that we need to get the industry involved. I want to ask the Minister if he could please

explain why the department is unable to reach an agreement with the industry, thus leaving the GNWT solely responsible for the cost of maintenance of the road even though it's being used a lot by industry. Thank you.

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

Further Return To Question 384-15(3): State Of Winter Roads In The Sahtu Region

HON. MICHAEL MCLEOD: Mr. Speaker, we do have discussions with industry on a regular basis. We have had a number of discussions over this past winter and previous winters but, at the end of the day, we cannot force industry to invest in a road that they're not likely to use. In this case, the road from Tulita to Norman Wells is not one that industry felt they were going to be using for the majority of the rig moves. A lot of the rigs were moved over last winter into Norman Wells or over the summer on the barging system. So there was no requirement for them to invest money and upgrade this road, so it fell under our responsibility to maintain this road with our dollars that were budgeted.

Again, we have looked at a number of initiatives to see if we can improve the safety factors on this road. After several discussions with the people in the communities of Tulita, Norman Wells and the people of the Sahtu, we have allocated and budgeted for signs. We're putting a number of signs on that road. I believe the number is 650 signs that we're going to be putting up and are putting up as we speak to improve the safety factor. We're also setting up a series of meetings and we're going to be unveiling or having discussions about the possibility of instituting a speed limit on that road to improve the safety factor. We have also increased our highway patrols into that area and we continue to do so.

There are a number of initiatives that we have provided for this section of road. If there is still a concern regarding the condition, I want to assure the Member that we are looking at the allocated maintenance budget for this road. However, upon our inspections -- and we do them regularly; our highway superintendent performs them regularly -- they tell us the road is safe, provided you drive at a safe speed limit and you obey all the signs that are being put up right now. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Supplementary, Mr. Yakeleya.

MS. LEE: Holy cow!

Supplementary To Question 384-15(3): State Of Winter Roads In The Sahtu Region

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, the phone call I received this afternoon said that motorists are going about 20 kilometres an hour on the roads in the Sahtu. That's how bad they are. Also, the safety, Mr. Speaker, is a concern because I lost a close personal friend on that road several years ago with regard to the safety. I want to ask the Minister what he will do to ensure some type of negotiations for partnerships with industry for next year, to ensure there is much done to improve the winter roads in the Sahtu. I know you're not able to force industry, but I think if you can assure the people in the Sahtu that some sort of partnership can be formed with them to ensure that the safety and conditions of the road are just like any other road in the territory. Thank you.

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

Further Return To Question 384-15(3): State Of Winter Roads In The Sahtu Region

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, it should be clear that for most of the sections in the Sahtu area, the safety factor and the conditions have increased drastically as we now have industry investing in those sections. There is only one section of the road that is of concern that we've been hearing about and that's the section from Tulita to Norman Wells. We have increased and doubled our maintenance on that road, we've provided signs, we're going to incorporate speed limits, we're sending contract crews out, and we're actually doing some specific spotting on that road. We've looked at the bypass in the Norman Wells area. We've done a number of things. We're also planning to spend \$34 million in that area. How many more things can we incorporate? I'm not sure, but I want to assure the Member again that we are looking at this section of road; we are looking at our budget to see if we can do anything different for next year. We'll continue to talk with industry; however, we can't force them to spend money in an area that they're not using. I will certainly commit to having those discussions with industry and keep up the pressure to help us pay for some of those roads and improve the conditions. Thank you, Mr. Speaker.

MR. SPEAKER: A very short supplementary, Mr. Yakeleya.

MS. LEE: Running the clock.

Supplementary To Question 384-15(3): State Of Winter Roads In The Sahtu Region

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, industry, I understand, spends millions and millions of dollars in the Sahtu. They want to come do business in the Sahtu. They're using the roads. I think that's part of where our government can negotiate with industry and say that they should bring some benefits and bring in some of the safety into the Sahtu. So I guess I would ask the Minister if he would look at coming to visit the Sahtu and see the conditions of the winter roads for himself. Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. A short answer, Mr. McLeod.

Further Return To Question 384-15(3): State Of Winter Roads In The Sahtu Region

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the Sahtu is probably one of the regions that I've visited the most often in the last year as the Minister. I've been there three times and we're planning to go there again. We are, along with the Premier, planning to drive the winter road all the way to Norman Wells in the next couple of weeks. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Item 6, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 385-15(3): Deton'Cho Access To Sandpits Land

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I'll pick up where I left off with my statement. That is questions regarding the Deton'Cho access to the area known as the sandpits here in the city of Yellowknife, within the municipal boundaries of the city of Yellowknife. The first question I'd like to ask the Minister of Municipal and Community Affairs is how that decision was arrived at. I'm wondering if the decision to grant access to the sandpits was a decision made solely by the Minister of MACA or was it a Cabinet decision. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ramsay. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

Return To Question 385-15(3): Deton'Cho Access To Sandpits Land

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, that decision was made by myself as the Minister of MACA. We've had some discussion with Aboriginal Affairs; however, that decision was mine. Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. Supplementary, Mr. Ramsay.

Supplementary To Question 385-15(3): Deton'Cho Access To Sandpits Land

MR. RAMSAY: Thank you, Mr. Speaker. I'd like to ask the Minister today how close Deton'Cho Corporation is to actually proceeding with the housing development at the area known as the sandpits here in the city of Yellowknife. I know under the agreement that he's given permission for it to July 31st, but through reputable sources, Mr. Speaker, they're very close to proceeding with a 400-unit housing development at the sandpits and I'd like to ask the Minister what information he has with regard to that development. Thank you.

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

Further Return To Question 385-15(3): Deton'Cho Access To Sandpits Land

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. I'm not sure how close they are to proceeding with development. Our involvement has been to try and facilitate a process dealing with lands in Yellowknife. There has been an application made to the City of Yellowknife for a section of land in the sandpits area. We've had some discussions with the Yellowknives Dene. We've also had some discussions with the City of Yellowknife. We've indicated to those groups that we needed to see all the development plans come forward because, along with the City of Yellowknife development plan, we have the Yellowknives Dene First Nation's development plan, the Department of Transportation has an airport development plan, and we have the Akaitcho land claim negotiations land selections going on. So all these things are in the process, in the works. There's a lot of overlap. We're trying to develop a system that will allow us to process some of these applications. I know that the City of Yellowknife and the Yellowknives were meeting. I believe their staff were meeting yesterday. The City of

Yellowknife wants to have a discussion and hear their presentation with their counsel on what the Yellowknives are planning to do. That application has not come to us, Mr. Speaker. They're having some discussions between the City of Yellowknife and the Yellowknives and they're reviewing a number of things, including how this would fit with the City of Yellowknife's development plans, including the zoning. So there are a number of things that need to be discussed and, up until now, the only thing we've done is to allow the Yellowknives access to the sandpits area to do some geophysical work and do some engineering studies and that's the limit of our involvement, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Supplementary, Mr. Ramsay.

Supplementary To Question 385-15(3): Deton'Cho Access To Sandpits Land

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I'm glad to hear that the Minister is on top of what is transpiring out there, by the sounds of it. The other question I'd like to ask is how a decision like that, made by the Minister, impacts the IMA that's in place currently between the Yellowknives Dene and the City of Yellowknife and his department. To me, it goes against the protocols as set out in the IMA, to just grant access to the Yellowknives Dene to access the sandpits. Maybe the Minister could speak to the IMA and what impact or precedent this sets going forward. Thank you.

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

Further Return To Question 385-15(3): Deton'Cho Access To Sandpits Land

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the IMA refers to occupancy. This was a request that came in to do some early assessment. If the land is not suitable, the Yellowknives Dene informed us and are informing the City of Yellowknife that they will move away from that project. However, there are a number of other sites that the Yellowknives Dene are interested in, and the City of Yellowknife is looking at acquiring more land for the growth of the city. So we have to have a system that's put in place. In my own judgment, I made the call that we should issue a permission to occupy. There is no requirement under the IMA to consult with anybody. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Your final supplementary, Mr. Ramsay.

Supplementary To Question 385-15(3): Deton'Cho Access To Sandpits Land

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, one quick, final supplementary. I'm just wondering if the Minister can confirm for us whether or not he believes a residential development that close in proximity to the Yellowknife Airport is something that he would support. Thank you.

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

Further Return To Question 385-15(3): Deton'Cho Access To Sandpits Land

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, if the City of Yellowknife agrees, the

Yellowknives Dene agrees, and if it fits within the Department of Transportation's plan overall, I certainly would support it. We have a lot of work to do yet on this issue. We have to have a lot of discussion. We have to develop a process where everybody is satisfied that their interests are being taken care of and that's what my focus is right now. We're nowhere near approving anybody's applications. There are a number of applications out there that we have to deal with. At this point we have granted permission to do some early seismic work in that area; that's what it is limited to. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Item 6, oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

Question 386-15(3): Nahendeh Air Proposal

MR. MENICOCHÉ: Thank you, Mr. Speaker. My questions today are for the Minister of RWED, with regard to the Nahendeh Air proposal. It was submitted to his office about a year ago, Mr. Speaker, and we're failing to understand why it's taking so long to get government support for this program. To date, we've got the businesses on side, we've got the communities on side, we've got the regional people on side, we have federal support and yet nothing is forthcoming from the GNWT RWED department. I fail to understand what exactly we're waiting for, Mr. Speaker. I would like the Minister of RWED to tell me and, indeed, the public, what's taking so long for this Nahendeh Air proposal to be supported by our government. Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

Return To Question 386-15(3): Nahendeh Air Proposal

HON. BRENDAN BELL: Thank you, Mr. Speaker. I want to assure the Member that the department is supportive of initiatives like this. The Member knows that we did fund \$20,000 to the consortium of six bands who were looking at purchasing both Wolverine and Simpson Air and amalgamating and creating Nahendeh Air. There was \$20,000 a couple of years ago to develop business planning. Our suggestion is that the next steps need to be an application, probably to us, for funding to further review this proposal and add some detail to it. We think there needs to be some refinement of detail; we've had that discussion with the consortium.

Our understanding is, as is the Member's, I believe, that Chief Norwegian is the lead on this. We think that there are other funding partners like INAC, Aboriginal Business Canada, and we've identified those. Our regional staff have been in discussions with Aboriginal Business Canada to see if they would be receptive to receiving the business plan and considering it. Of course, we can't forward that business plan; that has to come from Chief Norwegian. They've indicated they would be receptive, but it would require a transmittal from Chief Norwegian and they have informed us that they have not received that.

I think there are some other funding partners potentially waiting in the wings, and we're hopeful that that business plan will be forwarded. But I think this highlights the need for us to ensure there are good communications between

ourselves, our regional office and the consortium of six bands and, principally, Chief Norwegian on this issue so that we can move it forward. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Supplementary, Mr. Menicoche.

Supplementary To Question 386-15(3): Nahendeh Air Proposal

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. Well, it has been over a year, Mr. Speaker, since the business plan has been completed and the request has been in the department, and we've asked time and time again for their assistance and to keep this moving forward. It is a time sensitive issue, as one of the interested parties is willing to sell outside the region and that's not something the community or the region wants, Mr. Speaker. So I would like to get the Minister's assurance, Mr. Speaker, that he will continue from hereon in a time sensitive manner and secure and assure the consortium that the government is behind them, Mr. Speaker. Thank you.

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

Further Return To Question 386-15(3): Nahendeh Air Proposal

HON. BRENDAN BELL: I can give the Member and the consortium that assurance here today. We think that this is an absolutely perfect way for the region to be able to take care of some of the business opportunities that are going to come their way. Lots of activity will be forthcoming because of the development in the regions, and it would be an absolute shame to see that business go to southern businesses. I'm also aware of the Member's recent request for some help in order to further cement an expression of interest with one of the proponents. We had hoped that the business proposal would be finalized, the details could be flushed out, so that we could make a decision on a business case. I hear the Member saying that it is very time sensitive. So I'll have to consider that when making a decision on whether or not we're prepared to forward funds to one of the proponents in order to ensure that they are willing to wait until we have this proposal finalized. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Supplementary, Mr. Menicoche.

Supplementary To Question 386-15(3): Nahendeh Air Proposal

MR. MENICOCHÉ: Thank you, Mr. Speaker. I'm just curious as to the process the department used over the past year to help this Nahendeh Air proposal move forward. Earlier last year I spoke and said let's get somebody from the department identified to work with the groups, to help them through the proposal stages, and at this time I'm here again asking the department look, there was a process here, we asked for your assistance. What happened on your end because from the community level, from the proponent's side, they are doing the best that they can, Mr. Speaker? Will the Minister continue his assurance that he will help the proponents fill out the proposal and get them to the department so that they can act and make the best decisions possible? Thank you.

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

Further Return To Question 386-15(3): Nahendeh Air Proposal

HON. BRENDAN BELL: Thank you, Mr. Speaker. We will continue to work with the region and I will ensure that my department knows that this is of highest priority. I could take the Member through our understanding of the timeline and the various steps and the correspondence back and forth and the discussions between our department and the consortium. I don't know if that would be helpful. That's my perspective, standing here today. Clearly, from the Member's line of questioning, that would not be shared by Chief Norwegian and by the consortium. So I'm willing to sit down and discuss this with the Member. I can show him the information that I have, but this is of highest priority and we will move forward. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Final supplementary, Mr. Menicoche.

Supplementary To Question 386-15(3): Nahendeh Air Proposal

MR. MENICOCHÉ: Thank you, Mr. Speaker. I'm glad to hear the Minister speak about it being a high priority, because it is, indeed, a high priority for the communities because deal breaking is imminent and I don't want to see this deal fall through. It doesn't make our government look good when you have the opportunity to create a deal and then we miss that opportunity. It already happened once, as my honourable colleagues keep speaking about, and I don't want to see this happen in our region, particularly something of this much importance that has the backing of all the chiefs, of all the communities, of all the regional members. I strongly believe and I strongly think that our government should continue and make this dream a reality for the Nahendeh Air proposal. Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Menicoche. I didn't hear a question there. Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

Question 387-15(3): Support For Jewellery Excise Tax Removal

MR. BRADEN: Thank you, Mr. Speaker. My questions this afternoon are for the Honourable Brendan Bell, the Minister of RWED and responsible for the GNWT's diamond file. One estimate has it, Mr. Speaker, that some 200 people, including families, are involved in the sorting and cutting and polishing industry here in Yellowknife, using Canadian diamonds to make Canadian jewellery. But if you want to go and buy this, you have to pay 10 percent more than anywhere else in the world and that's not really a very good situation. My question, Mr. Speaker, is has our government considered John Duncan's private Member's bill in Parliament -- Bill C-259 - and are we in support of it? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

Return To Question 387-15(3): Support For Jewellery Excise Tax Removal

HON. BRENDAN BELL: Thank you, Mr. Speaker. The short answer is yes, we have and, yes, we are supportive.

I think we've had some discussion around this with committee. I believe the Member would be aware that I've written Finance Minister Goodale and essentially expressed our sentiment that this, indeed, as the Member has put it, this tax should be axed. It has been around since 1918 and is the last luxury excise tax on the books. We don't think it makes sense. The entire industry doesn't think it makes sense. It has been one of the tenants of the National Diamond Strategy. The Retailers Jewellery Working Group did a survey of all their members who overwhelmingly supported the notion of doing away with this tax. So we continue to further that position and do intend on making a presentation to the Standing Committee on Finance, the federal committee reviewing this bill. They have not yet set the meeting date, but, when they do, we will make sure we are there to make a presentation. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Supplementary, Mr. Braden.

Supplementary To Question 387-15(3): Support For Jewellery Excise Tax Removal

MR. BRADEN: Thank you, Mr. Speaker. The Minister has volunteered quite a bit of information there. I appreciate it and it's, thankfully, no surprise that we are behind this bill. I wanted to ask further to this, the NWT has shown leadership in the formation of a National Diamond Council and I wanted to see if the Minister could tell us are other provinces, which are undoubtedly going to be involved in the diamond trade as well, also behind this excise tax amendment and are they also signalling their approval for this amendment? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. Mr. Bell.

Further Return To Question 387-15(3): Support For Jewellery Excise Tax Removal

HON. BRENDAN BELL: Thank you, Mr. Speaker. I can think of no jurisdiction that would not be in favour of doing away with this tax. Obviously the federal government is the concern here at this point. The Member indicated the amount of potential revenue loss to the federal government. We think that would be more than offset by the creation of jobs and potentially by the people who don't report coming back from other countries and don't submit the taxes that are lost to the federal government. So industry is behind doing away with this, and all of the provinces and territories are. It is a matter of impressing this on the federal government and having them sort of cede to the wishes of everybody in jewellery. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Supplementary, Mr. Braden.

Supplementary To Question 387-15(3): Support For Jewellery Excise Tax Removal

MR. BRADEN: Thank you, Mr. Speaker. I'm not expecting the Minister to speak for the Minister of Finance for Canada, but I'm wondering if he might be able to tell us from his perspective what are Canada's or does the Department of Finance in Ottawa continue to have objections? I understand that that committee has twice heard recommendations to amend this act; it has twice refused. Why are they continuing to do so? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. Mr. Bell.

Further Return To Question 387-15(3): Support For Jewellery Excise Tax Removal

HON. BRENDAN BELL: Despite continued lobbying from the Canadian Jewellery Association over the past four years by this government, my predecessors have written numerous letters to the federal government and they have not conceded at this point. It is our understanding that this was potentially coming out a couple of budgets ago and didn't make the final cut. We were very disappointed by that. We're hopeful that we can move this agenda forward and we think the National Diamond Strategy might be the vehicle that can bring together all of the interests of both industry and the provinces and bring the adequate pressure to bear, but the holdout, obviously, is the federal government who are holding all the cards in this one. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Final supplementary. Item 6, oral questions. The honourable Member for Range Lake, Ms. Lee.

Question 388-15(3): Need For A Youth Shelter

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my question today is for the Minister of Health and Social Services and it's with regard to a lack of youth shelter that can remain open after midnight. Mr. Speaker, I was first informed about this need over the holidays at Christmastime, and I did write to the Minister, but I have not heard back from him. So I would like to ask the Minister about what programs there are available under his guidance that could benefit those between 15 and 18 who find themselves homeless after midnight on any given day. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister of Health and Social Services, Mr. Miltenberger.

Return To Question 388-15(3): Need For A Youth Shelter

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, there is a facility in town called the SideDoor that has been providing services to youth, and it's my understanding that the department and authority are working with the SideDoor to look at a weekend program for youth that will help address that issue. They have targeted the weekend nights as the most important time for that service. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Supplementary, Ms. Lee.

Supplementary To Question 388-15(3): Need For A Youth Shelter

MS. LEE: Thank you, Mr. Speaker. Yes, it is also my understanding that the SideDoor is in the process of trying to get some assistance from the department. One of the issues that this group will need help with, aside from some funding, which I understand that this is not going to be something that's expected of the government to carry 100 percent. I think there are interest partners, there might be some money with the Homelessness Coalition and other crime prevention funding and such, but I think there's a key role for this government to play. So there are funding issues that we would like the government to partner with. The other thing a group like this runs into problems with is liabilities. So would the Minister's department be willing to

consider looking at that to see where the government could help with that? Thank you.

MR. SPEAKER: Thank you, Ms. Lee. Mr. Miltenberger.

Further Return To Question 388-15(3): Need For A Youth Shelter

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as I have indicated, the department and authority are working with the SideDoor to look at establishing a weekend program for youth. They will be looking at all the variables that are out there that impact on establishing such a program, such as the funding and the liability issues and any other issues that come into the mix as we move ahead on this issue. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Supplementary, Ms. Lee.

Supplementary To Question 388-15(3): Need For A Youth Shelter

MS. LEE: Thank you, Mr. Speaker. I appreciate the Minister's answers, but over the years I've learned to listen to the Minister's answers very carefully and in listening to him, I'm not sure if there was any indication there, strong enough anyway. The Minister is suggesting that the government is working with them, but I don't have as strong an indication as I would like for the Minister's support in this project. Could the Minister indicate whether he supports the agency's proposal? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. Mr. Miltenberger.

Further Return To Question 388-15(3): Need For A Youth Shelter

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, the department over in Centre Square is working with the Yellowknife Health and Social Services Authority. Those are two major players in the health and social services system. The board is responsible for services in Yellowknife, and the Department of Health and Social Services, which has oversight and responsibility territorial-wide, is working with the SideDoor. They are there in good faith and they are there to try to work with that operation to see if they can establish a program for youth on the weekends. So I think the fact that they are at the table and they are all working together, should be the assurance and comfort the Member needs. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Your final supplementary, Ms. Lee.

Supplementary To Question 388-15(3): Need For A Youth Shelter

MS. LEE: Thank you, Mr. Speaker. I'll take that as a yes and ask the Minister, Mr. Speaker, I think there are larger issues in question here, and those are the gap years between 16 and 18 and the lack of support or the crack in the law and the legal limbo that these teenagers get into because they are not under 16 where there are other protections, and they are not over 18 where they could tap into programs that are available for adults. So I would like to know if the Minister has any plans to review those and

see where the gaps can be filled. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. Mr. Miltenberger.

Further Return To Question 388-15(3): Need For A Youth Shelter

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. That is an issue, but to me the real issue is the fact that these young people have homes, they have parents, and what do we do to work with the families and the parents and the young people to make the right choices so that they are not on the street at night where they feel that they've been abandoned and have no place to go. It is the fundamental parental responsibility and the fundamental role of the young people, as well, to work together. So, to me, that is an issue that we have to keep paying attention to.

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 6, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 389-15(3): Government Position On The Use Of Official Languages

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I rise in the House again today because I'm concerned about a news story I read today with regard to someone being reprimanded for the usage of French. Mr. Speaker, French is an official language not just in the Northwest Territories, but in Canada. Mr. Speaker, languages should never just be tolerated, but they should be celebrated. The respect for language goes much more beyond a household, it must be acknowledged publicly. Mr. Speaker, my question to the Premier of the Northwest Territories is what is the Premier's position and the government's position on the usage of official languages, both territorial as well as national, in our bureaucracy? Thank you, Mr. Speaker.

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

HON. JOE HANDLEY: Mr. Speaker, I'm going to refer that question to the Minister responsible for official languages. Thank you.

MR. SPEAKER: Thank you, Mr. Handley. The honourable Minister of Education, Culture and Employment, Mr. Dent.

Return To Question 389-15(3): Government Position On The Use Of Official Languages

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, this government supports the use of people's first languages as much as possible. We want people to be able to celebrate their language and culture, and it is the position of the government that people should be able to use their language with people around them. Of course, if there's a situation at work that requires that everybody understands what is going on, we would expect that there would be use of a common language. But we do respect the use of all languages in the Northwest Territories. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, in my household, we speak approximately four languages, three languages of Chinese -- one would be Cantonese -- and, of course, English, because that is the main one I understand. Mr. Speaker, Canada is a melting pot of acceptance. It is kind of like a secret recipe of culture, but when you start throwing out the right to use one's language, it is like revealing the recipe or throwing out an important element of that recipe. Mr. Speaker, my first question was not answered. What is the Premier's position on the usage of the official languages in the Northwest Territories, as well as our national languages? Thank you, Mr. Speaker.

MR. SPEAKER: The Premier referred your line of questioning to the Minister responsible for official languages. I don't think the Premier has to give his official opinion on this, so I will ask you to rephrase your question, Mr. Hawkins.

Supplementary To Question 389-15(3): Government Position On The Use Of Official Languages

MR. HAWKINS: Thank you, Mr. Speaker. Does the Premier have a position on usage of official languages, not the language Minister?

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister of Education, Culture and Employment, Mr. Dent.

Further Return To Question 389-15(3): Government Position On The Use Of Official Languages

HON. CHARLES DENT: Thank you, Mr. Speaker. I can't speak for the Premier personally, but I can speak for the government's position, and, therefore, that of the Premier and of all the Members of this government, that people are and should be encouraged to use their first language whenever possible.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Speaker. Again, I will focus my question to the Premier, and he can forward it thereon in. Does the government have a policy to discourage people to use their first language?

MR. SPEAKER: Thank you, Mr. Hawkins. The Premier has already referred the questions to the Honourable Mr. Dent, so you will refrain from addressing the questions to the Premier. Mr. Hawkins.

Supplementary To Question 389-15(3): Government Position On The Use Of Official Languages

MR. HAWKINS: If I can reword my question. Thank you, Mr. Speaker. Does the Minister of Education, Culture and Employment acknowledge if we have a policy that discourages people from using their language of choice, also noted as an official language of the Northwest Territories? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. Mr. Dent.

Further Return To Question 389-15(3): Government Position On The Use Of Official Languages

HON. CHARLES DENT: Thank you, Mr. Speaker. As Minister responsible for official languages, I don't think this

government has any policy discouraging the use of any languages, whether they are official or not, in the Northwest Territories. I think I have already answered this question. I said that the government encourages the use of all languages.

MR. SPEAKER: Thank you, Mr. Dent. Final supplementary, Mr. Hawkins.

Supplementary To Question 389-15(3): Government Position On The Use Of Official Languages

MR. HAWKINS: Thank you, Mr. Speaker. I thank the Minister for his answer. Mr. Speaker, before this story goes too much further, would the Minister of Education, Culture and Employment look into this situation before this so-called story of a person using their language is being discouraged? Before it goes through the meat grinder of arbitration and whatnot, would the Minister look into this before it goes too far? Thank you.

MR. SPEAKER: Thank you, Mr. Hawkins. Mr. Dent.

Further Return To Question 389-15(3): Government Position On The Use Of Official Languages

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, I am aware of the issue and have been aware of it for some time now. There is the process that has been launched. I am going to respect that process so far and watch how it turns out. When you have a grievance that is possibly laid, you have to respect that we have that process set out and have to follow it, so I will be watching how things unfold. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

Question 390-15(3): Retention Of Dene K'onia Staff

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, my questions again are for the Minister of Justice with response to the staff that I referred to in my Member's statement about the many dedicated and long-serving, in some cases, staff who have worked with the Dene K'onia Young Offenders Facility in Hay River. I would like to talk to the Minister about the next steps. I think the Minister would concur with me that these folks are a very valuable resource and we certainly have a lot of need within the youth community in the Northwest Territories. I would like to know what the Minister plans to do to retain this staff. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Minister of Justice, Mr. Dent.

Return To Question 390-15(3): Retention Of Dene K'onia Staff

HON. CHARLES DENT: Thank you, Mr. Speaker. I would concur with the Member that we have an awful lot of experience at Dene K'onia and people with good experience and a lot of dedication to the job. It is one of the bright points that came out of the review of Justice that was done last year. We have an awful lot of dedicated employees who have stuck around for a long time. We would very much like to keep as many employees as possible and take advantage of their knowledge, skills and experience. The offer of transfer will be made to many or has been made to many. Unfortunately, a lot of people

find that it is either not the right time of life or because they have a partner who can't transfer, that that is not acceptable. We have worked as much as possible to find other openings for staff who are affected. Everyone now is on a government-wide priority list and will be considered with priority for any opening within the government. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mrs. Groenewegen.

Supplementary To Question 390-15(3): Retention Of Dene K'onia Staff

MRS. GROENEWEGEN: Thank you, Mr. Speaker. With respect to my comments about the needs of youth, we had a theme day here recently by the Regular Members of this House with respect to the many needs of youth in the Northwest Territories and the emerging needs. Mr. Speaker, would the Minister of Justice support a reprofiling of this piece of infrastructure that would enable us to engage the expertise and the skills of this staff in Hay River? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 390-15(3): Retention Of Dene K'onia Staff

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, in early days when we knew that we were going to propose the closure of Dene K'onia, I did, in fact, approach other Ministers in the government to ask whether or not there was some way that that facility could be used. I would certainly welcome any opportunity to keep the staff employed as long as they are employed in a program that makes sense for this government to embark on.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mrs. Groenewegen.

Supplementary To Question 390-15(3): Retention Of Dene K'onia Staff

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, because of some of the uncertainty with respect to the future of Dene K'onia over the past few years, at least 10 of the staff who worked there were casual employees and at least half of those had been working as casuals for at least four years or longer. What does the government have in mind to do to assist the casual and term employees affected by this closure? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 390-15(3): Retention Of Dene K'onia Staff

HON. CHARLES DENT: Thank you, Mr. Speaker. Government policy is that indeterminate employees are the only ones who gain the benefit of the staff retention policy. So we do not offer a program specifically for casual and term employees. However, I would expect that, if these people have worked for some time, they would have good references that would stand them in good stead with other jobs when they come open. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Final supplementary, Mrs. Groenewegen.

Supplementary To Question 390-15(3): Retention Of Dene K'onia Staff

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I thank the Minister for his responses. Just for clarification, the Minister says that if the government found a use for the building and that could employ a staff there, that he, as a Minister in this government, would support such a proposal. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

Further Return To Question 390-15(3): Retention Of Dene K'onia Staff

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, I would hope that if there is another opportunity for the staff of that facility to get a job with the government, they could find it. That is one of the reasons that we have the staff retention policy; is to take advantage, or try and make sure that the government takes advantage, of the experience that we have within our staff. I would hope that we will find jobs for them in the not-too-distant future and not necessarily that we would have to wait some time.

In terms of the facility, if there is some department that comes forward with a proposal for reprofiling it, I would be happy to take a look at it. Of course, as with anything, we have to be able to justify the cost and the value for money spent for any program. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 391-15(3): New Sahtu Health Authority

MR. YAKELEYA: Thank you. Mr. Speaker. Mr. Speaker, my question concerns the new Sahtu Health Authority. The Department of Health and Social Services was to implement the Sahtu Health Authority by April 1, 2004. As of yet, services are still being delivered out of the Beaufort-Delta region Inuvik office, and the North Slave region Yellowknife office. I am even more concerned when I look at the Health and Social Services web site that still lists the authority in the developmental stages. My question today is for the Minister of Health and Social Services. Could the Minister provide an update as to the status of the Sahtu Health Authority?

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister of Health and Social Services, Mr. Miltenberger.

Return To Question 391-15(3): New Sahtu Health Authority

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, the Government of the Northwest Territories Health and Social Services remains unwavering in its commitment to work with the people in the Sahtu to establish their authority. We filled eight of the 14 positions that were identified in the Sahtu for administration and running of the health authority. Unfortunately, there has been an underwhelming response in terms of the actual structure and setting up of

the board itself. That is a challenge yet to be met and dealt with, but we are continuing to work with the region. In the meantime, there are still transitory arrangements made with Inuvik to assist in the administration and delivery of some of the services. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Supplementary, Mr. Yakeleya.

Supplementary To Question 391-15(3): New Sahtu Health Authority

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I understand that it is a challenge to move the Sahtu Health Authority into our region. I will ask the Minister in terms of a time frame if he can see actually the Sahtu Health Authority being settled right in the Sahtu region where we can start making our decisions for ourselves.

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

Further Return To Question 391-15(3): New Sahtu Health Authority

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, God willing and the creeks don't rise, this will be done in the foreseeable future. If we can staff the rest of the other critical positions and if there is a desire indicated by the leadership in the Sahtu in terms of their actual establishment of the health board, then that would help us to conclude this arrangement and transition from being part of the Inuvik region and health authority to a standalone authority in the Sahtu. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. The time for oral questions has expired; however, I will allow Mr. Yakeleya to finish his supplementary questioning. Supplementary, Mr. Yakeleya.

Supplementary To Question 391-15(3): New Sahtu Health Authority

MR. YAKELEYA: Much appreciated, Mr. Speaker. Did I understand the Minister to say God willing and the creeks don't rise? Mr. Speaker, can the Minister explain to me and give me an answer for the people in the Sahtu? What are some of the barriers that are hindering the move to establish the Sahtu regional health board? Thank you.

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

Further Return To Question 391-15(3): New Sahtu Health Authority

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, clearly, in my mind, it is not because of lack of effort or lack of resources on behalf of the Government of the Northwest Territories. There has been a significant amount of resources identified for this, in spite of concern in some quarters that we are just setting up another level of government. We have positions identified. We have had trouble staffing them. There has been some difficulty in getting a clear indication or signals from the leadership in terms of establishing of the board itself. We continue to operate with the public administrator. Those are two of the key areas on the government side and the administration side that are there before us as challenges. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. A final, short supplementary, Mr. Yakeleya.

Supplementary To Question 391-15(3): New Sahtu Health Authority

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I would ask the Minister, would he inform the House as to some of the barriers that we have looked at in the Sahtu? A Catch-22 for us is the availability of accommodations for the staff in Norman Wells who want to fill the positions. However, it is very difficult for our staff people to be accommodated in that area. Thank you, Mr. Speaker.

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

Further Return To Question 391-15(3): New Sahtu Health Authority

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. The Member is correct; housing for staff has been an issue, but the marking initiative, phase one, saw five units moved into Norman Wells. I understand that there are eight units this coming year to assist with the shortage. Hopefully that will help in the staffing of these remaining six positions. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. The time for oral questions has expired. The Member for Yellowknife Centre, Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Speaker. I rise to request unanimous consent to return to item 5, recognition of visitors in the gallery. Thank you, Mr. Speaker.

MR. SPEAKER: The Member is seeking unanimous consent to return to item 5, recognition of visitors in the gallery. Are there any nays? There are no nays. We shall return to item 5, recognition of visitors in the gallery. Mr. Hawkins.

REVERT TO ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. HAWKINS: Thank you, Mr. Speaker. Thank you, colleagues. At this time, I would like to recognize a constituent of mine, Vital Abel. Thank you very much, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Hawkins. Item 5, recognition of visitors in the gallery. The honourable Member for Sahtu, Mr. Yakeleya.

MR. YAKELEYA: Thank you. I would also like to recognize a good friend of mine. It is good to see a reporter, Mr. Paul Andrew.

---Applause

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 5, recognition of visitors in the gallery. The honourable Member for Kam Lake, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker. I would like to recognize Mr. Paul Andrew from CBC. I would just to remind Members that Mr. Andrew is helping coordinate the media effort in our hockey game that is coming up soon, so we will see Mr. Andrew on the ice. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Ramsay. Item 5, recognition of visitors in the gallery. Item 7, written questions. The honourable Member for Sahtu, Mr. Yakeleya.

ITEM 7: WRITTEN QUESTIONS

Written Question 71-15(3): Health Services In The Sahtu

MR. YAKELEYA: Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services.

Could the Minister provide a detailed list of what services will continue to be provided by the Yellowknife and Inuvik offices respectively once the Sahtu Health Authority is fully operational?

Thank you.

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

Written Question 72-15(3): Long-Term Care Facilities In Nahendeh

MR. MENICOCHÉ: Thank you, Mr. Speaker. My questions are for the Minister of Health and Social Services:

- 1) What is the plan for the department to establish a long-term care facility for Fort Liard?
- 2) What is the plan for the department to expand current long-term care facilities in Fort Simpson to accommodate more patients?

Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, replies to budget address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. The honourable Member for Kam Lake, Mr. Ramsay.

ITEM 14: TABELING OF DOCUMENTS

Tabled Document 104-15(3): Letter To The Deton'Cho Corporation From Minister Of MACA Re Access To Sandpits

MR. RAMSAY: Thank you, Mr. Speaker. I would like to table a letter from the Minister of Municipal and Community Affairs to the Deton'Cho Corporation dated January 7, 2005. Thank you.

MR. SPEAKER: Thank you, Mr. Ramsay. Item 14, tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters. Before I go into Committee of the Whole, I will turn the chair over. By the authority given to me as Speaker, by Motion 2-15(3), I hereby resolve the House into Committee of the Whole to sit beyond the hour of adjournment until such time as the

committee is ready to report progress, with Mrs. Groenewegen in the chair.

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

CHAIRPERSON (Mrs. Groenewegen): I will call Committee of the Whole to order. We have a number of issues. What is the wish of the committee? Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Madam Chair. The committee wishes to consider Bill 18, An Act to Amend the Territorial Court Act, as well as Bill 19, Appropriation Act, 2005-2006, specifically the main estimates for the Financial Management Board Secretariat.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. If the committee is agreed, we will do that right after we have a short break.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you.

---SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen): I will call Committee of the Whole back to order. The first item on our agenda today is Bill 18, An Act to Amend the Territorial Court Act. I would ask if the Minister responsible, Mr. Dent, would like to please proceed with his opening comments. Mr. Dent.

HON. CHARLES DENT: Thank you, Madam Chair. This bill amends the Territorial Court Act to remove restrictions that affect territorial court judges and deputy territorial court judges when they turn 65. Presently the judges cease to hold office on attaining age 65. However, they may be reappointed on the recommendation of the Judicial Appointments Advisory Committee for fixed terms of three years for territorial judges, and two years for deputy judges. The ultimate requirement that the judges cease to hold office upon turning 75 is retained, consistent with the mandatory retirement age for Supreme Court and Court of Appeal judges and for justices of the peace.

The act is also being amended to remove a five-year limit on the term of deputy territorial court judges, and to provide authority for the first time appointment of deputy judges who are already 65 or older. The removal of the barrier on appointing deputy judges who have reached 65 will assist recruitment, since retired provincial court judges form a significant pool of potential appointees. As a result of these amendments, deputy judges will no longer be appointed for a fixed term, though they will cease to hold office at age 75.

The removal of restrictions that force territorial court judges and deputy territorial court judges to seek reappointment upon attaining 65, and that limit deputy judges to five-year or two-year terms depending on their age, will eliminate the administrative inconvenience and the cost of having routine reappointments approved by the Judicial Appointments Advisory Committee. Just as important, the removal of these restrictions eliminates any perception that requiring the reappointment of judges limits judicial independence.

The territorial court judges requested the amendments made in this bill.

Madam Chair, I would be pleased to answer any questions the committee may have.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Dent. At this time, I will ask the chair of the Standing Committee on Social Programs to please provide the committee's comments on the review of this bill. Ms. Lee.

MS. LEE: Thank you, Madam Chairperson. Madam Chairperson, the Standing Committee on Social Programs conducted its public review of Bill 18, An Act to Amend the Territorial Court Act, on December 9, 2004. The committee would like to thank the Minister and his staff for presenting the bill. Following the committee's review, a motion was carried to report Bill 18, An Act to Amend the Territorial Court Act, to the Assembly as ready for Committee of the Whole.

This concludes the committee's opening comments on Bill 18. Individual Members may have additional questions or comments as we proceed. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Lee. Does the committee agree that we ask the Minister if he would like to bring witnesses into the Chamber?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed. Thank you. Mr. Minister, if you would like to invite your witnesses into the Chamber, we will have the Sergeant-at-Arms escort them in.

Minister Dent, for the record, could you please introduce your witness?

HON. CHARLES DENT: Yes, Madam Chairperson. I have with me Mr. Mark Aitken, director of legislation division.

CHAIRPERSON (Mrs. Groenewegen): Thank you. General comments from Members with respect to the bill. Any general comments? Ms. Lee.

MS. LEE: Thank you, Madam Chairperson. I just want to make a very short general comment to say that I support this bill. I think it is a bill that makes sense, in light of the workload that we have to have in the North and with lots of potential for conflict. There is always a need for an additional pool of judges, which we often get from down South on a case-by-case basis. Many of the judges that we do get from the South are retired judges. In light of the fact that retirement age is very flexible these days, I just want to put on record that I support the principle and the details of this bill. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Lee. Any further general comments on the bill? We will proceed with the details. If the committee agrees then that there are no further general comments, do you agree to proceed with a clause-by-clause review of the bill?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed. Thank you. Bill 18, An Act to Amend the Territorial Court Act, clause 1.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Clause 2.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Clause 3.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Clause 4.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Bill as a whole?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Does the committee agree that Bill 18 is ready for third reading?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Bill 18 is now ready for third reading. I would like to thank Minister Dent and Mr. Aitken for their attendance on this matter.

I will ask Minister Roland, who is responsible for the Financial Management Board Secretariat, if he would please provide his opening comments on the departmental estimates.

HON. FLOYD ROLAND: Thank you, Madam Chairperson. I am pleased to present the Financial Management Board Secretariat's main estimates for the fiscal year 2005-06.

The secretariat's 2005-06 main estimates propose O and M expenditure levels of \$30.051 million. This is a reduction of \$2.204 million, or 6.8 percent, from the 2004-05 restated main estimates.

These adjustments are due to the following developments:

1. a \$566,000 reduction associated with the elimination of six positions at headquarters;
2. a \$1.238 million reduction associated with the discontinuation of a contribution program that flowed funds to the Workers' Compensation Board and the NWT Power Corporation for superannuation costs associated with federal changes to the Public Service Superannuation Act;
3. a \$15,000 reduction to the grant-in-kind recorded for the foregone interest on the debt due from Deton'Cho Diamonds Inc.;
4. a \$175,000 reduction to amortization expense due to the revaluation of the PeopleSoft system;
5. a net decrease of \$235,000 associated with the reductions to Maximizing Northern Employment program and Staff Retention Program; and
6. an increase of \$25,000 associated with increased systems and computer chargeback costs.

The secretariat's proposed infrastructure acquisition plan includes an allocation of \$500,000 in the 2005-06 fiscal year for the completion of the systems selection phase of

the government financial information system replacement project.

For the 2005-06 fiscal year, the FMB Secretariat's main estimates include a total staffing complement of 132 positions: 105 in headquarters and 27 in the regions. There is a net decrease over the previous fiscal year of four positions, which is comprised of a reduction of six positions at headquarters associated with the government-wide reduction exercise, partially offset by the addition of two new positions at headquarters associated with the creation of the assistant deputy minister, human resources.

During the last year the secretariat has:

- completed the development of a third-party accountability framework;
- completed the major department migrations associated with the implementation of the Technology Service Centre;
- continued the implementation of the Knowledge Management Strategy as it relates to security, networks, enterprise architecture, software licensing and electronic records;
- reached agreement with NWT Medical Association on a four-year agreement on the Physician Specialist and General Practitioner contracts;
- along with the Department of Health and Social Services and the Union of Northern Workers, undertaken a review of all health care job evaluations to ensure that work performed by health care professionals within the GNWT is appropriately identified so that compensation is appropriate;
- completed the interim public accounts and the 2003-04 consolidated public accounts ahead of the deadlines requested by the standing committee;
- had the 2003 Annual Report on the Public Services tabled in June 2004;
- completed and implemented the PeopleSoft system upgrade to version 8.3;
- completed a business needs analysis of the replacement of the existing financial information system;
- coordinated the 2004-05 and 2005-06 budget process;
- commenced the human resource consolidation project.

That concludes my opening remarks. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Roland. I will ask if Mr. Menicoche, the chairman of the Standing Committee on Accountability and Oversight, would please provide the committees comments on the review of FMBS. Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Madam Chairperson. The Standing Committee on Accountability and Oversight

is pleased to provide its comments on the Financial Management Board Secretariat.

Human Resources Consolidation

During the review of the 2005-2006 Draft Main Estimates for FMBS, the Minister provided an update on the status of the consolidation of the GNWT's human resource services, including the initial transfer of six human resource positions from the Executive and the creation of a new assistant deputy minister position.

The Standing Committee on Accountability and Oversight is in support of ongoing work to consolidate human resource services and the human resource service centres. Members believe that this initiative will reduce duplication across government and ensure hiring procedures and policies are implemented uniformly and objectively throughout the civil service. The committee looks forward to regular briefings on the planning and implementation of this initiative as it rolls out.

Financial Management Board Secretariat's Mandate And Name

During the review of the 2005-06 Draft Business Plan, some members of the standing committee raised the issue that FMBS has undergone substantial transformation and growth since its inception, particularly with the recent migration of human resource functions from the office of the Executive. It was suggested that it may be time to revisit the name of the secretariat and select something that is more representative of those aspects of the mandate of the secretariat that go beyond its financial responsibilities. The Minister responded that a change in name is something that could be considered.

Discontinuation Of Superannuation Contributions For WCB And The NWT Power Corporation

When the Standing Committee on Accountability and Oversight initially learned of FMBS's intentions to eliminate, as a cost-cutting measure, the contribution program that flowed \$1.238 million to the Workers' Compensation Board and the NWT Power Corporation for superannuation costs associated with federal changes to the Public Service Superannuation Act, they sought assurance from the Minister that the pensions of employees of the WCB and the NWT Power Corporation would be in no way compromised, and that they would be legally protected. The Minister responded that as long as employees were eligible under the Collective Agreement, their pensions would be protected.

The Minister explained that when the federal government made changes to the federal Public Service Superannuation Act five years ago, they ceased to subsidize the GNWT. This came into effect April 1, 2000, however they continued to provide term funding for a few years. As long as the term funding was provided, a portion was passed on to the WCB and NWTPC. When the term funding was rolled into GNWT base funding, the decision was made to terminate the grant. The expectation is that as independent corporations, the WCB and the NWTPC should assume their true costs of doing business.

Some Members were concerned that the WCB and NWTPC's superannuation costs would ultimately be passed on to consumers; employers would see an

increase in WCB premiums and power consumers would see an increase to power costs. Members noted that businesses in particular would be hardest hit, as the largest single consumers of these services outside of government. Nonetheless, Members recognize that to continue to absorb the superannuation costs for the corporations indefinitely would compromise their status as independent entities.

Sirius Diamonds Loan Guarantee

During the review of the 2005-06 Draft Main Estimates, Members were surprised and extremely concerned to hear the deal to sell Sirius Diamonds had not yet been finalized. It is absolutely unacceptable that the ongoing financial loss to government has been as high as \$250,000 per month in lost interest and receiver fees since mid-August when the loan guarantee was called and Sirius Diamonds was placed in full receivership. Subsequent to the review of the 2005-06 Draft Main Estimates, the committee learned that negotiations with the potential buyer had terminated and the sale would not go through.

Recommendation

The Standing Committee on Accountability and Oversight recommends that the Chairman of the Financial Management Board work diligently with the Minister Responsible for Resources Wildlife and Economic Development to deal proactively with the growing financial and human resource liability and that this issue be resolved in the public interest no later than April 1, 2005;

And further, the Standing Committee on Accountability and Oversight recommends that the GNWT establish a firm position on dealing with diamond mines and resolve the issues affecting the viability of the secondary diamond processing industry in the NWT as quickly as possible.

Madam Chair, that concludes the remarks from the Standing Committee on Accountability and Oversight. Thank you very much.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Does the committee agree that the Minister should be invited to bring witnesses into the Chamber? Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. I'll ask the Sergeant-at-Arms to please escort the witnesses in to the witness table.

Thank you. Minister Roland, if I could please have you introduce your witnesses for the record. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. To my right is the secretary to the FMB, Mr. Lew Voytilla, and to my left is Mr. Rob Taggart, director of policy and finance.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. General comments on FMBS, Ms. Lee.

MS. LEE: Thank you, Madam Chair. I don't have general comments per se, but I do have some questions on the Minister's opening comments and the first thing has to do with the PeopleSoft program. The Minister indicates that the department has completed and implemented the

PeopleSoft system upgrade to version 8.3. Now, I've heard about the PeopleSoft program for many years and I'm not really a computer person so I don't really pay much attention to it, but I'm beginning to worry about the system we have, especially in light of the many problems we have been having internally. I don't know if it is just within this building, I don't know if it is government-wide, but we have had problems with this computer network in general lately.

So I have questions on both amalgamation of the TSC work where I think they are in charge of looking after all the computer systems for the government, but also specifically to the PeopleSoft system that looks after employee records and I'm sure that manages more than payroll. I'm sure there are lots of other functions associated with that program. So could I ask the Minister how adequate this version 8.3 is and perhaps he could give us an update on where the government is with the latest glitch they had with the payroll system. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. The PeopleSoft upgrade that we have gone to, 8.3, is as normal as routine would have it. Systems change and as time goes by there are newer versions of a product and this is part of an ongoing process. The PeopleSoft program itself is working okay. The problem we had recently was not to do with the program. It was to do with a technical hardware issue -- we had hardware crash on us -- which affected the storage of our data. However, that isn't related to the PeopleSoft itself. The TSC and S&C work that's happening is also separate from PeopleSoft and that information that we do collect will remain within the Financial Management Board Secretariat. The TSC, or the Technical Services Centre, will be merged with systems and communications in Public Works as of April 1st. That work is ongoing. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you. On the TSC then, I want to stay broad on this issue because I realize that the Minister and the witnesses may not have detailed information on this. I support the consolidation of the services that the TSC offers. I think it's the kind of area that needs that critical level of expertise and the computer systems and software programs and things that we use on a daily basis in the government are supposed to be there to help us do our jobs better. At the same time, I'm aware that over the years the government and all the Members sitting here have been hesitant or maybe reluctant to invest as much as possible on the software programs or even capital equipment. I don't know if that's the case, I don't know if we have invested what's required. I guess I would like to get some assurance from the Minister and information from him as to whether we are investing in computer technology that we need to at least stay up to date on what's required to provide services and to carry out programs that we are responsible for. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. We, I guess, can say that we're probably not on the top end when you look at the industry itself and the changes in programming that are happening. Although, we've made the switch to PeopleSoft and that version, it's quite a large program and it is quite able to handle the government information we need. We have, as well, highlighted in my opening comments work that we are beginning to do with our financial information system. That's the next big piece of work that we'll have to do and invest in as a government to ensure that we can continue to meet the requirements that are placed on us. So in areas we are lacking when it comes to our software and our hardware, but we are picking up and have made some changes and will continue to do so to ensure that we can deliver what's required of us. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you. I think this is an important area in that we do live in a computer age and we need to have adequate technology and computer systems to do our work. I have just been noticing that I'm not sure if the government is keeping up to date with the upgrading of programs and such. I can tell you that I have, I think, a more smooth, better and faster-running system in my home and I don't think I have a state-of-the-art system there either. It's just got me worrying that the government has for too many years now not been investing money that's necessary to keep with the program. I'm not even sure if the computer network program that we have in the government now can keep up with just a middle-of-the-road line of products, not just the most advanced kind.

I don't want to see a situation where, a year or two or three years down the road, we find ourselves having to spend a lot of money to upgrade the system if we are neglecting to do it now or we have neglected to do it for the last three or four years. So I still didn't get a specific answer from the Minister. Does the Minister know whether we have spent adequate money or made the investments necessary to keep up the system and whether or not there's a mandate given to the TS Centre? Now that they have been consolidated, they can look at the government-wide technology and information system to see what needs there are. Not so that everybody has the fanciest system in the world, but just so that we don't find ourselves in a situation that we may try to save a few bucks and end up having a lot higher costs inadvertently. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. I agree with what the Member stated around the area of our technology and the enhancements and changes that have come as a result of that. At one time, when computers first came out, there was much discussion about how they would make our lives much easier. We haven't found that to be the case. There are continuing changes and programs and platforms that we must adapt to and make necessary changes. As a government, we're working and trying to stay updated on those things. For example, government-wide, we spend approximately \$5 million a year in the area of programs and equipment. One of the other areas that we've worked on to try to help with getting data back and forth from communities, regions to headquarters, is through the DCN, or the digital

communications network, and we're just going through the revision of the contract and hope to have that finalized soon. One of the other programs we have around computers is desktop hardware is evergreen, and every four years new systems are brought into place.

So there's some of what we're doing and, as we go through this next phase with the TSC and systems communications, hopefully we'll be able to coordinate our work better and find some efficiencies. As well, maybe we can improve on what we're able to do and provide a service for those people within the government and improve how we communicate with the communities and regions. We accept that some of our problems recently have been around the hardware end, and that area falls within the responsibility of Public Works and Services where TSC happens to be merging. We will have some information available for Members when we go through that department. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. General comments, Mr. Braden.

MR. BRADEN: Thank you, Madam Chair. I'll keep my comments to one area and it relates to the transition that we're undertaking for our government-wide human resources to consolidate this function within FMBS. I think there are quite a number of similarities to the service centre concept that Ms. Lee was talking about with technology that I think has had a reasonably good role. Like Ms. Lee, I must share some complications with my own computer skills, but the service that I've been getting from the TSC has been really good.

What I wanted to look at here was the creation of this consolidation. It is a fairly significant move. It is one that is, over time, going to affect each government department. A number of staff are going to be involved in this, but I'm looking forward, Madam Chair, to government-wide service and implementation of our human resource policies.

As an MLA, on occasion I do hear about situations that constituents find themselves in. Very often what it relates to, Madam Chair, is inconsistencies from one department to another or perhaps one area of policy interpretation to another. My understanding is that it goes back to moves that were made several years ago by this government to disseminate HR functions. So our policies were then distributed to various departments and deputy ministers and ministries and boards, but over the course of time, Madam Chair, as policies are interpreted differently by different people in different situations, we have really encountered sort of more and more inconsistency and frustration on the part of some employees and some potential employees.

So with that, I wanted to indicate that I'm anticipating or expecting that we will see improvement in our overall HR practices here and, like I said, I'd ask the Minister if he could give committee a status report and an outline in general terms, Madam Chair, of the next steps involved in human resources consolidation. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. I agree with the Member; it is a significant move that we are undertaking as a government to go back to somewhat of a

way of doing business that was done prior, where we have human resource service centres. It is very different though from what was known previously as the Department of Personnel. The human resource service centres are a way of pooling our staff and bringing them together so that, one, we can be more coordinated in how we deliver the program, ensuring that all departments are following and have the same understanding of the rules that we work with. I believe that will also help individuals when they come into the government and are looking for employment or transfers within the government.

A significant amount of work has been done to date and there still remains to be a fair bit done, but I think we've been moving along in a very good way and a healthy fashion. Of course, when you do make some changes as significant as this, it does cause some concern and anxiety out in the system. We do have a lot of people who are involved in the delivery of human resources throughout departments and boards and agencies. We've been working with them and our regions to ensure that this is as smooth as possible.

The first stages, as we worked through, were to develop a vision of what the human resource service centres would be doing and getting that message out, the goals that would flow out of that vision, and then the functions and activities of that service centre, how that work would be done and what should be pulled into the service centres and what would remain with departments and boards and how they would do that. Once we had that, then develop the processes that would be required in the working arrangements between boards and the service centres, as well as from the regional service centre to headquarters, develop the standards that are going to be in place from that. Then start cataloguing and developing what we're going to need in the area of resources for the work that's going to be required of the new service centres that are created. That's both on the financial side as well as the human resource side.

Then what we're into right now is in the area of organization and design, how it's going to start fitting together, identifying the job description of the staff that will be working within service centres and ensuring that job descriptions are updated and meet the operational requirements of that. As we're getting into that, we begin looking at staffing and how that would fit into it with the new organizational design, as well as the job descriptions that have changed. So we're right into that area now of the job description/staffing side of it and see how the people we have involved right now will fit into the new service centre organization and how their job descriptions may be changed, matching individuals into jobs that are there. From there, there will be some changes to some of the job description side that people used to be involved with within departments and making sure that we can fit them in where necessary. We'll work with them in that area to ensure that they do have the qualifications to fit in. We're into that stage. We're into a pretty heavy schedule, but I believe again through this work that's been happening it's been quite a successful transition at this point and I continue to work with that. Again, as I've committed, we'll continue to work with committee and keep committee updated as we go forward. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Thank you, Madam Chair. Thank you, Mr. Roland. Mr. Roland has reflected for this committee, Madam Chair, what we have heard in previous briefings. This is a major initiative and it is one that I look forward to a successful roll-out and a good implementation. It really will affect the calibre and the satisfaction and performance of our workforce. I place a really high significance and value on the work that's being undertaken.

Now, I wanted to see if the Minister could give us some idea if we're going to see more or less a status quo, roughly the same number of people continuing to be involved, or will there be some downsizing or attrition? As well, will there be much in the way of dislocation? Will we be able to preserve or reserve or perhaps enhance the role of people based in the regions and communities outside of headquarters? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. I believe this exercise we're doing is about making sure that we're doing the job right. That's the first stage we were involved in, in a sense, is getting the mechanics right. Making sure that the organization, the design job descriptions are fitting and able to work well. Then as we go through that and develop that, the second phase of that would be the policy end, how things need to work together and get that end together. That's definitely where we're going to be needing the input of Members, to ensure that we're on the right footing as we go forward.

I believe that as we go through this, it is critical we get this right and ensure that the right authority is in the right place to make the decisions necessary to get on things, to make sure that we're operating efficiently. So there will be some changes in the way things work right now. A fair bit of the decision-making process in the existing system still comes to headquarters.

What we're looking to do with this, once we're up and functional and have our policies in place, is that decision making can happen at the regions. The department will still have the final decision to make. The process will work where we've done the right job and somebody plugs in looking for employment, go through that phase and ensure that the mechanics of it works right and that all departments are using the same criteria as we go forward.

Ultimately it's going to remain with managers to manage in the regions. As well as the service centres, we're looking at enhancing their ability to get the job done. So there will be some changes. We have to be realistic here; there will be some dislocation about things that happen. There may be some growth in areas. This initially is not a cost-cutting exercise. It's one to make sure we get the job done right, set up the mechanics, get it done right and then at that point we can look at ourselves to see if we've accomplished what we've set out to do. If there are going to be any changes in growth, that will happen in the regions, not in headquarters. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Next on the list I have Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I know the Minister has heard me in the House question the Sirius Diamonds loan guarantee at length last week and again this week. I'm not done with that issue either, Madam

Chair, and I will be bringing that issue back before the House again before too long.

I had some questions on this and the first one I'd like to ask is, when the supplementary appropriation came before the House last year it was for \$231,000, if I remember correctly. I'm wondering where FMBS got the other \$2.7 million to cover off the \$3 million loss that they had originally made known to this Assembly. Where did that other \$2.7 million come from, Madam Chair? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, the funding that we required to cover the rest of the loss that was identified was found from other program areas within FMBS where we had lapses. We would have turned that money back over to the consolidated revenue fund, but, realizing this loss was there, we then applied that money to the loss instead of turning it back over to the general revenue fund. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I just found that to be a really interesting way of reporting that loss, that \$231,000 as opposed to \$3 million, so that it wasn't really portrayed the way that I believe it probably should have been portrayed. I'd hate to think that any other program or service suffered as a result of your department having to try to find this money from within. The next question I have, Mr. Chairman, is the recommendation that's before us in terms of the date. I'm wondering how optimistic the Minister is that a purchaser will be found for the Sirius plant so we can mitigate the losses that we're incurring on a daily basis there. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, first of all, for the record, let's state that the accounting that took place of the loss as required by the Financial Administration Act was done so according to the Financial Administration Act, and through that supplementary document showed the loss as we have to account for it. So it was public, it was transparent. Just a portion of that was paid from within an appropriation amount we had within FMBS.

The other area; what we're going to conclude here is the waivers to ensure that the receiver can go out now and make contact with other interested parties with the Sirius plant operations, and we're hoping that we'll be done very shortly as the initial contact again trying to find out if there are interested parties. We're aware they are there, it's just a matter of seeing what they can bring to the table. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I find that comment, Mr. Roland, very interesting, as well. Last week when we had the Minister...Well, I'm not quite sure if I can mention that. From what I understand, Mr. Chairman, the

waivers were to be in place last week and if the Minister's here before us today saying these waivers aren't in place, another week has gone by, thousands more dollars have been lost and I'd like to ask the Minister where the waivers are and when we are going to get on with this. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The Member is right; as we initially met, I referenced the fact that we were waiting on waivers to be signed. As has it, with lawyers involved from a number of different parties, that hasn't gone as smoothly as we would have liked it to. But they will be executed today. Once those are executed, then the receiver can once again go out there and seek other interested parties or return contacts that other interested parties have made. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I'm just wondering, in terms of other losses that continue to pile up, how might the Minister suggest we find the money to account for these losses that are piling up on an ongoing basis. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the first thing we need to do is to calculate the total losses of the situation we're in right now. Again, a fair bit depends on what the receiver can come together with in the sense of another deal. Once we have those numbers and things proceed, we will be able to calculate the total amount that we will have to come forward to this House and seek approval for. That would come through a supplementary appropriation, as we have not booked that within our budget at this time. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. A little bit of the concern that I had with the first recommendation that appears in our committee's report was the date of April 1, 2005. It was a date that was put out there I guess to try to put the brakes on the losses that were happening at the Sirius plant, to give some assurance to the Regular Members here that this issue would be dealt with once and for all by April 1st. But I want to try and get a comment from the Minister on what's going to unfold here. I know there were numerous proponents lining up when the initial call for proposals went out for the Sirius plant and I'm just wondering what his optimism is like for finding a new purchaser for the Sirius plant. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I guess it's one thing we can say in the North and the rest of Canada is that the diamond industry is small in our jurisdiction and the word and rumours spread fast about what's happening. We're aware there's significant interest with the operations. As well, the way it's been working through a court appointed receiver, the receiver will have to make those contacts, look at what the

results of those contacts can bring and then advise us of what the potentials are. If there's a deal to be had, they would recommend a movement on that and whatever deal is worked on would have to be sanctioned by the courts. Again, because we have a court appointed receiver, that process is quite formal. I'm quite confident that we will have a final decision as to if, in fact, we are moving and entered into a serious set of negotiations once again by April. I think we should have some information before then, but again, because this is a court appointed receiver and the process is quite formal, we know that we could, for example if things moved along front end quite quickly, decide if, in fact, one of the proponents coming forward was satisfactory. We would once again go through the process of doing our due diligence and deciding if the company is satisfactory, would meet our criteria for a northern manufacturer, then that process would again kick up to the mines to have them set up their agreement for a supply of rough. If that can come together, then it would go back to the courts and through the court process. There's a 30-day appeal period. Once that period ends then the deal can be officially signed off.

I'm fairly confident that before April 1st we will have direction that we will go in, whether it's a proposal that's good enough to move forward on or, as a government, we re-evaluate where we're standing with the ongoing concern of the facility. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Last time up, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. This is a real burning question that I have with regard to this whole Sirius plant arrangement. The inability to get a deal done between the producers and the Leviev Group. The real burning thing that I have, Mr. Chairman, is why the government wouldn't find somebody much like a middle man or somebody to bridge the gap between the producers and the potential purchaser to get a deal done when the government, I believe, Mr. Chairman -- and I mentioned this in the House the other day -- knew full well that the producers weren't negotiating with the Leviev Group. Why couldn't we find somebody to step in to speak to the producers, to speak to the Leviev Group, to make sure that a group could get done, Mr. Chairman? That didn't happen and I would like to know why. Hopefully I will get to the bottom of it during the life of this session, but why doesn't that happen? I know you can throw around the receiver and two businesses not wanting to get together and the mumbo jumbo but, at the end of the day, Mr. Chairman, this is our industry. It's our future and if we didn't have somebody trying to do that, I think we would drop the ball completely and miss a huge boat that was sailing in here. I would like to hear what the Minister has to say. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The Member has raised this issue on a number of occasions now and probably won't be satisfied with the responses he gets today that I have tried to supply information about where we are and the process used. There are a few key things that have impacted where we can go as a Financial Management Board and our involvement. One is the original agreements that were put in place and who would be parties to those discussions. The process, as laid out, is the government was involved on the front end to see if a

producer or a company could be looked at satisfactorily and grant them a northern manufacturer status. Once that's done the process then allows for that company to then begin negotiations with the diamond mining companies. There were no provisions for us to become involved with that; number one, on the original side of the agreements that were put in place; two, and further complicating where things were is because we ended up moving to a court for a court appointed receiver, that process has to be respected, as well, and the involvement of the government and the departments. We are aware, as the Minister of Resources, Wildlife and Economic Development stated, through his shop and keeping track of where things were flowing, from our shop of FMB working with the receiver, trying to see where things were going and trying to encourage a speedy resolution to things that were happening. But ultimately it comes down to the fact that we did not have the ability to enter the room to say let's sit down and make this happen.

Of course, since this has happened, there have been suggestions made about sitting down with the mining companies initially and discussing who would be satisfactory to them. There are things that have come out after the fact. But as I had committed to from a government perspective, we are going to have to review where we are with the processes and see where we can strengthen our positions, so that we don't end up in this situation in the future. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I had comments I would like to make about the consolidation of the human resources section. Before I do that, I would like to make some comments and observations about this debate going on about the loan guarantees and the receivership for the secondary diamond industry.

First of all, I do believe that this is an important industry. I do believe that the diamond industry in general is one that we have to appreciate for all that it has done for our economy. I do support the previous government and the current government for having worked hard to encourage and foster the secondary diamond industry.

Having said that though, I don't believe the government has the power to, as Minister Bell said earlier, force two businesses to marry. We can't force individuals to marry. From what I understand, this potential buyer that did not turn out to be the buyer is a big player in the diamond industry. I think from my understanding, there are many more issues here than just whether or not the northern diamond producer was willing to give enough rough cuts. There are lots of issues involved that they had to work out on their own. I agree that the government has a role to play and goodness knows that the government has expended a lot of investments in terms of loan guarantees and socioeconomic benefit agreements, and lots of influence and pressure was put upon the diamond industry by all successive governments since the beginning of the diamond industry to get as good a deal for the North as possible.

I think we come to a point where we really have to look at where we are and how much we are willing to do for this industry and how many millions we are going to pour into this. Keep in mind there are secondary diamond cutting and polishing plants that are doing okay. Tiffany is doing

well. They are getting their rough cuts. I guess they have a closer relationship with Diavik and that's working to their benefit. Arslanian and all of them have had some downturns, but I just don't know if we can get to the bottom of what exactly happened in this room.

What I am more interested in is I would like the government to come to us and have a heart-to-heart talk about where we are going with this secondary diamond industry in terms of this company. As the Minister already indicated, this has already gone into receivership. The diamond industry worldwide is small. There might be huge companies looking for bargains out there, so we might not even get a deal that will benefit us. I don't want to be pessimistic, but that's how the free market works. We live in a capital society and the market has to dictate at some point and the government has limits as to what it can do.

I am just wondering if the government did not go about it backwards. Why was it that the government announced publicly that the Sirius diamond plant would be sold to this one player, however big or reputable he was, without having gotten the deal written down, and was the producer not consulted in advance to say we have this buyer, are you able to do business with them? Was it not possible for the government to entertain all four proposals at once? I understand there was more than this player who were interested in buying this plant. So why was it that the government came to the gate and said we found a buyer and we will all be happy?

I would think diamond producers in the North are rooted here, they have made investments here and they should have some say on who they do business with and whether or not they can have a business relationship that will work for them, work for the new buyer and work for the government in terms of what the government is interested. If that wasn't done and you have no plan of doing it, how can you have success in upcoming negotiations? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. First off, coming from the side that I do on the financial side, if there wasn't support for the secondary industry from this government, the first and quickest way of cutting our losses would have been to liquidate the operations when this first came up. But as the government has chosen to continue to support the secondary industry, we've entered this and requested the courts to step in and have the receiver begin doing their work. The receiver entered into a process of basically going out to tender, putting out a package and having those that were interested submit their proposals. Based on the proposals that came forward, there was a review done of all of the parties, and it was recommended in discussions with the receiver that the best deal that was there was the one we went forward with.

As for discussions with the mines and going to them and asking if, in fact, they would be supportive of who we brought forward, there's nothing right now stopping the mines from developing the secondary industry in the Northwest Territories, or proceeding. We've seen somewhat of a partnership already with a couple of the organizations that are in business.

So we, as the GNWT, began this process in allowing guarantees to be put in place to help establish the industry, and there has been much discussion back and forth about support or non-support from the suppliers, being the mining companies.

Again, I go back to the fact that right now there is nothing to stop the mining operations from establishing their own cutting and polishing arms of their operations here in the Northwest Territories. In fact, if they wanted to do that, we would invite them to get directly involved. As this first came out, we were told that, in fact, there was no interest in that. So that's why we proceeded with, from a GNWT perspective, trying to develop the secondary industry.

Things obviously have changed from the first mining operation that came into reality here in the Northwest Territories, from not wanting to be involved in a secondary industry in the North to now companies becoming involved, to a certain degree, with arrangements with cutting and polishing plants here in the Northwest Territories. But again, is there a better way to do it? Well, maybe there was. As the first socioeconomic agreement was put in place, I think we've learned from that exercise and worked at strengthening the position we have as a government, and we'll continue to do that. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you. I don't think I was saying that in terms of getting the producers to take a more active role in this whole state of affairs. I didn't include in that the option of the producers setting up their own cutting and polishing facility. What I'm saying is given where we are, we have a company that we have poured millions into in receivership. The buyer we thought was the one, has backed out. We know that the secondary diamond industry around the world is not that big. The ministry even admitted that the news had spread. So I don't know if the world diamond industry sees this is as a good bargain for them to pick up at a low price, or if they look at it as damaged goods that they don't want to touch with a 10-foot pole; I don't know.

I'm not saying that the diamond producer here should be asked to step in. What I'm saying is, from what I can tell, the first approach of finding a buyer did not work out. If there was supposed to be a marriage between the new buyer and the producer, somebody forgot to tell the producer that they're getting married to somebody. We can't force them to marry. I'm just saying if you're going to have better success a second time, they should be told. Is there any plan on the part of the government to bring this producer in?

A socioeconomic agreement is what we have. I understand the BHP one being the first one, and we've had many after that, and probably the first one was not as tight as we would have liked to have had. We have learned from that, and the second and third socioeconomic agreements are much tighter.

My understanding is, I haven't read the fine words, but there's a lot of room for interpretation. So what I'm saying is this government is not going to get a deal unless you get everybody working together on this. You have to get the producer and whoever the new buyer is, whoever is a bargain hunter or whoever really wants to get into the industry. So I would like to get assurance from the

Minister about what we're going to do differently so we can have some comfort that we're not just going to be asked to keep going down the same path that's given us nothing but grief. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I agree with the Member that, as she laid it out, the first socioeconomic agreement can be interpreted a number of ways. It's not very tight. We've learned from that. From a GNWT perspective, we have tightened it up to better reflect where we want to go and see things as the secondary industry develops. But at the same time, we, as a government, have to look at the big picture. The resources that are coming out of the ground are resources that belong to the people of the Northwest Territories, if we're going to believe in land rights and that position. It goes back to a much broader picture about devolution and who makes decisions to pass on things and make a project develop in the Northwest Territories and who benefits from those.

With the tools we had available as a government when diamond mines were being discussed and what potential benefits could accrue to the Northwest Territories and the people of the Northwest Territories, this was one of the ways that was seen as being a more cooperative approach. If the cooperative approach isn't working, then we, as a government, have a duty to see what, in fact, we can do to ensure some benefits stay in the North, and that may be re-looking at the whole side of it and saying maybe we need to look at a different method and go down that road.

Initially I think we're trying to take the cooperative approach. At the end of the day, what we saw was a deal that we thought would be very positive for the Northwest Territories and solidify the opportunities in the North in the sense of the secondary industry. We're aware that it won't be bargain hunters coming out. Interested parties have already started making contact to see what can be done. We have been waiting and the receiver has been waiting for the execution of the waiver, and that, again, as I said earlier, is going to happen today. So the process will once again kick into full gear as we begin looking for a potential buyer for the plant.

A couple of other things will come into play. One, is there are some people out there with history in the Northwest Territories and history with the mining operations. Ultimately, yes, it will go back. With the agreement the way it is set up, it will go back to the mining operations signing an agreement with a potential new buyer on the supply of rough. We're hopeful that this will go through, but again we have to look at what's going to come forward from the receiver, and maybe we will get to the point where we say this is not a benefit to the Northwest Territories to continue with this process, and work with the receiver and look at the other side of the scale and liquidate all the assets out there.

But as the GNWT, we have been supportive of the secondary industry; we continue to be and are hopeful that a deal will come through. It is unfortunate that we find ourselves back in this position. Believe me, as Finance Minister working to ensure that our money is spent wisely, it has been a difficult process, but it's one that at times is necessary to try to see the long-term benefit for the

Northwest Territories and its people. Hopefully we will be able to see some of that as we go forward. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. General comments. Ms. Lee.

MS. LEE: Thank you. I'll leave that topic of diamond guarantees and the secondary diamond industry. I just want to offer some comments about the consolidation of the human resources function of the government. I want to put on record, Mr. Chairman, that I do support this initiative that the government is engaged in, largely due to the desire that I have for better and more effective functioning of management of human resources and not in any way as a cost-cutting measure. I think it's important for the people out there to know that really this was never engaged as a cost-cutting measure.

I hear this on the street and because of other developments that we have been hearing around the North, that they're having some parties whose interest it was to actually interpret it this way. I'm hoping that with the consolidation and regionalization -- because it's not a consolidation of all the services at headquarters -- there will be some rationalization making the services more centralized to a few locations so that there could be some expertise built in an area that is quite complex and difficult.

I'm hoping that this would reduce the instances of all these phone calls that I've been receiving for the last couple of years from people who are not able to get their pension file sorted out, or their records of employment provided to them in a timely manner. These are rules about pension and insurance and employee benefits; all that stuff. It's very complicated, and people need to do enough of it to get that kind of training and concentration of work to build up that expertise. You don't want to see your pension files screwed up. Sorry for that language.

I believe in decentralization and creating job opportunities in communities, but we do that in areas that make sense and there are things that make better sense. For example, the business services section of the government should be in communities. But this is about managing human resources for the government. I'm hoping that this will really serve the public service well. Also, once this gets centralized, I look for things like a better hiring policy that looks at the government-wide approach; that there's a better management program and management training program for the civil servants so that there's upward mobility and there are training opportunities for the employees of the government, and that there's better succession planning.

We know that the demographics show that a large part of baby boomers are going to retire in the next five or 10 years. We also know that the government is not the most coveted employer of the North anymore. We have to fight with other industries to get the best people possible, and I don't see that there is as good a human resource management plan as we could have. I would like to see better implementation and action on affirmative action. I would like to see more women in senior management, and all those questions you have about human resource management of the government right now are spread out everywhere and no one person or no one Minister is accountable for who is hired to do the work that we do.

As MLAs, we get lots of questions from people who didn't get the job that they thought they should get. There are affirmative action candidates who didn't get an interview and such. So this is part of larger work that I think needed to be done, to make sure that we have a concentrated effort to manage our human resources better.

Having said that though, I think we have to always remember that we are talking about people's jobs. People don't like changes and there is always a better way to do these things. One of the most important things about this is communication. I understand, from what I know so far, that this is at a very initial stage. But I'm already hearing rumblings out there, there are people who are hearing that they're going to lose their job or that they're not being told enough about what is happening. In going through the main estimates, we have witnessed and we have seen that each department is at a different stage in terms of how this is going to get done. There are some departments that have been told that there are five or six positions under human resources in their department that are going to move. Some people think it will move this April, some people think they're going to move six months from now, some people think that they're all going to move with this transfer, and some people think they're going to lose their jobs. Some people have already been given lay-off notices. When you're talking about people's jobs, it's really important, because we cannot do this work without the support and understanding and input and the buy-in from the people who are affected.

So that's just a short statement on my support for what's going on in principle, but just to assert, once again, that there's a right way to do it, a wrong way to do it, there's a wrong way to do it, there's a better way to do it, and there's a poor way to do it. Could I ask the Minister, for the record -- I don't know if he's had a chance to say what's going on -- just to state what's going on with this transfer and what the employees should be expected to understand about it? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I had spoken to this earlier around the work that's going on with the human resource service centres. I have to agree with much of what Ms. Lee has mentioned of the reasons why we want to do this; about the coordination, about staffing, the working together and the opportunities that would provide.

As I stated earlier, the first phase is about the mechanics of this, to make sure we set it up right to get the job done and done appropriately, and, as well, to make sure that we're meeting the timelines that we're supposed to meet. There are too many examples right now of how the system is not working. So we have been working; and as I stated earlier, we're into the organizational design and job description re-writes, in some cases, of some changes in the staffing side of it. There have been numerous communications -- through individual meetings, through meetings with managers, supervisors, newsletters, e-mails, direct visits from our human resource staff -- as we begin this process.

There are groups now working together to ensure that that information is going. So where we find ourselves today is that the meetings with departments, the identified positions with departments that are going to be moved

over to the human resource service centres, have been identified. They have been agreed to and we are now going down the next part of this road, in a sense, of the staffing and working with those who are affected. I think as we lay this out, it is moving along and is one of the better examples of what we've managed to do in the past, but it is not without some anxiety and concern by those directly affected. We realize that. We've been trying to work it through to ensure that those affected have opportunity to express their concerns, as well as to look at their direct abilities to see how they would fit into the new organization. Not everybody is going to slide parallel to where they are today into the new organization. Some may move up, some may have some added responsibilities, but there will be some changes. There have not been lay-off notices handed out to those who are affected by this amalgamation process.

Again, as we enter this process, it is one about making sure we get the job done right first, and then making sure that our policies fit with the organization and also meet the requirements that are set before us.

Once we have an operation up and running, then at some point we can look, in the future, back at this operation and ensure it is also operating efficiently. As a government, we're going to have to do that with every program. But the initial goal is to ensure that we get the mechanics done right and set up the policies to make sure we can deliver on what's required of us right now. We're looking at seven service centres -- Inuvik, Norman Wells, Fort Simpson, Rae, Hay River, Fort Smith and Yellowknife -- and authority transferring out to those service centres, as well. So we think that is definitely the way to go. As we look at our staffing process and procedures, again we recognize and realize that change is a difficult thing. Even if it's a good thing, it's difficult. But we're trying to work through those and trying to ensure that, for all staff affected, things will be handled in as positive a way as possible. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chair. Just some general comments from me, as well. I spoke about it yesterday to the Minister of Finance; however, it was more appropriate under the Financial Management Board, just with respect to our capital planning process.

I'm not entirely convinced that the capital planning process is working for us. It's outside of us now and we don't really see it. The only feedback that I can get is from the communities, hamlets and settlements that tell me that people are flying into the communities, asking them their needs and then flying out again. I am not too sure that is proper consultation of the capital planning process, and that kind of concerns me. How do they actually get their say, and how do I as a Regular MLA get my say into the capital planning process?

Being elected last year for the first time, I saw it was in the business plans and I was made aware of a few things only because there was something absent in the capital plan. I said how do I get that back in there? Our process of how we have our say, how we advance things, is still not clear to me.

There are certain needs that have to be addressed. In particular, I like to use the Nahanni Butte gymnasium as

an example, only because it's a very good example and a very clear example. Here is a community that doesn't have this base facility. Is that not a need identified by our government? That is how I see it. All communities should have their base needs met before we move on to others or, indeed, give other communities two gymnasiums, such as in the capital plan for Yellowknife, Mr. Chairman. I'm not to clear on how that works, if the Minister can address that for me, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I guess as being a Member of the Legislative Assembly for as long as I have, the capital planning process has always drawn attention from Members of the Assembly about the selection process; what gets approved, what gets deferred, what project seems to move up on the order paper in a sense.

It has been recognized and there have been a couple of attempts to try to address those concerns. The real difficulty we have found around capital programs began in the mid-1990s when the government was faced with a huge deficit situation. Large reductions were made, a majority of those happened in the capital planning area and it was recognized at that time that making these reductions in the capital infrastructure side of the equation was not going to be a sustainable process, that we would have to re-evaluate our position and look at what needs to be done in those communities. Unfortunately, as that time has occurred, many projects have been put on hold, have been put further down the capital plan list. As the nature of the projects that were on the list were becoming more and more critical, it became very difficult.

That is why we, as the Financial Management Board, have accepted the work that has been done by Municipal and Community Affairs and the Association of Communities in the area of a new deal for community governments. That is a significant change from how we do business. In fact, as I stated in the budget address, we are looking to go down this and looking to support the communities in taking on more of this responsibility of what projects get identified, what projects should move ahead. We are working with Municipal and Community Affairs to go through that phase. It won't be this year, but this is the year that Municipal and Community Affairs now has the authority to begin implementation of the new deal in working with community governments to ensure that they have the ability to -- those that want it -- take on that capital planning process and become directly involved in what they see as priorities in their communities.

In fact, we are supporting that to the point of putting new dollars into the capital plan and ensuring that communities can begin to start seeing some of the long-awaited projects begin to move. I think it is, again, a very different approach, a more positive one, working with the elected leaders in communities. I agree that in previous years when a committee of government people would show up in the community and say what is the wish of the community in these areas, and met with officials and identified some projects, those would get brought back.

MACA would then have to compete with every other department about the small and shrinking pool of funds to fund our infrastructure in the Northwest Territories. We are now in a position, and if we continue to operate as we

are and hold to the fiscal responsibility policy that we are going to accept as part of this budget exercise, we will be able to see community government identify the projects that they want. There will be more dollars added to that side of the equation, where they can start to see some of the fruits of the labour, in a sense, of their work from a community end and see some of these facilities begin to be built.

Of course, with working with the federal government we have been able to identify more dollars, as well. We are looking at about \$25 million per year now that will be identified for community infrastructure. That is a significant amount, and through this exercise, when you look at the capital acquisition plan, be able to clearly identify that this is going to be a line item now as we go forward. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Mr. Chairman. That does shed some light for me and I would like to thank the Minister for that answer. There is another thing that concerns me. As we reviewed the departments in the draft main estimates, there are still some departments that do business a little bit differently. That kind of concerns me in terms of the budgeting process. The Housing Corporation is one and MACA is another. That is one of the issues that I have been bringing up. I believe I asked the Minister at one point if we follow the generally accepted accounting principles when doing our budgets. The answer was yes. Yet in committee we are still seeing different departments doing things differently. What I meant by my question there, Mr. Chairman, even though they are following the accounting principle, I think I wanted it standardized, so that when I am in committee I am able to compare apples to apples instead of apples to oranges. That would make committee work that much easier when we are able to compare departments. It would allow us to analyze better, we would be able to see actual percentages and we can compare that between departments.

Mr. Chairman, I would like to ask the Minister again, when we are using our generally accepted accounting principles when deliberating the budgets, is it the same for all departments? I would like it to be the same for all departments. Is that what is being presented before us in our 2005-2006 Main Estimates, Mr. Chairman?

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, yes, the general accounting principles apply to the main estimates for the planning, and as we put this together it all fits within there. For more details, part of the process is, maybe it's a selection process. The new community deal we talked about is within Municipal and Community Affairs and their direct relationship with communities and community infrastructure. That is where we are now making a significant change in the way that is worked, and we will support communities through MACA in making that changeover and going forward on that. With other departments there are other areas where the critical infrastructure will continue to be dealt with by departments. For example, within Public Works, the PPD -- petroleum products division -- there is going to be critical infrastructure that every community has to have

and that will still fit a criterion, still follow a process that we need to continue to work with.

That process is identified in the main estimates document, volume II, under Appendix B-2 is the page where we list the capital planning process and the process that is involved in how each department fits into, for example, the 20-year needs assessment, and then prioritizing the major projects. How do we allocate funding? Is it small or major? Then fits into the three-year plan, and then into this process here where you come to the budget document before us, and then approval by the House.

It also lists out the criteria that are used for the ranking of the projects so that they can be put into priority order. That is identified, there is going to be continued need to follow that process with some of our core infrastructure when it comes to the core programming services delivered on a territorial-wide basis. But the direct impact on communities and community infrastructure is the way we see a significant change and one that is quite positive in working with our partners out there in the communities.

Again, that is the one with the new deal in working with Municipal and Community Affairs. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I wanted to pick up where one of the other Members had gone in terms of the human resources consolidation. As the Minister is aware, I made a statement in the House the other day with regard to the growth and the expense of the public service. That was taken roughly by the UNW, the union president and some other executives with the UNW.

What I just wanted to mention to the Minister today is that part of what I see this human resources consolidation doing, is actually getting a handle and getting an understanding of where the GNWT is going with its public service. Again, I am in support of this happening. If it's your single-based expense, you have an obligation to pay attention to that.

The other thing I wanted to mention, while I have the floor; when we go through draft main estimates, the business planning process and whatnot, I think it's our duty and our obligation as Members of this Legislative Assembly, as stewards of public funds, to hopefully identify areas of concern, maybe areas of duplication, maybe where efficiencies can be found and leave it at that. That is our job. I didn't mean any disrespect to the union when they were here the other day. I spoke of hiring freezes and attrition; words that certainly would frighten the union, I suppose. Again, I didn't mean any disrespect to the union or to the Minister who is responsible for the public service.

Certainly I think going forward we need to have a public service that is sustainable and the sustainability, Mr. Chairman, is something we must pay close attention to. There is a compounding effect at play and the further on we get and the larger we get, the more it compounds itself. I just wanted to draw the Minister's attention to that. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the Member is correct in what we need to do with the government. It is our duty to ensure that the money that we are spending on behalf of the residents of the Northwest Territories is spent in an effective and efficient manner.

What we are doing here, as I see it, of the human resource service centres, is to put a more coordinated approach in. Once we have the mechanics of this done right and have the policies to make sure that we are doing the job that we need to and have to do, once we have that in place, then, yes, it would be much easier to focus on overall government employment status as well as where we are going with our employees across the board.

Right now it is very disjointed -- I guess is the word to use -- in how we deal with employees; how the hiring practices are done and when the employees leave the employment of the Government of the Northwest Territories, how it's followed through. This process is one to make sure that we can do the job right. Once we have the mechanics of that set up, we will then be able to better look at ourselves as a government and the staffing complement that we have. That is something we are going to have to do as a government.

As pointed out, a large amount of the resources we have go to paying for the staff that we have in place, but we must also consider the fact that on a daily basis we are requested to put more staff into communities to fund critical areas. That is something that we have to look at and, again, make sure that we can deliver the core programs we have as a Government of the Northwest Territories. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. With the current negotiations ongoing with the UNW, I am just wondering -- I know it might be hard for the Minister to say what is going to happen in those negotiations for obvious reasons, and there is going to be some settlement, let's not kid ourselves -- where is the money going to come from, or how does the Minister propose that we pay for any type of new agreement with the union. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as the practice has unfolded over years, departments don't have a budgeted amount for an increase until we know, in fact, that there is an agreement in place and what that might mean. In the first year of that agreement, we would have to come forward with a supplementary appropriation request to meet that first year's target levels. Beyond that, then it gets put into the business plan and again the business plan goes through the whole process to where we find ourselves today. Whatever agreement is settled upon, the first year of that we would have to come forward with a supplementary request to put the dollars in. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I guess just to put it into context with the last Collective Agreement -- I

think it was three, three and three, over three years percentage wise -- if we were to do that based on our current calculations of what it costs the government for the public service, at \$400 million, that is \$36 million over three years and that is just on the three, three and three.

Whatever deal we arrive at with the union is going to have huge implications on our budgeting for the next three, four or five years, whatever term the contract is, whatever the deal is. That is what I am trying to get across to other Members of the House. I know it's a huge expense and we have to budget for it and it is going to obviously cost us more money. It is going to have a huge impact on our budgeting and our surplus. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the Member is right; there is going to be an impact. A settlement will be reached. What that settlement means, we are not sure of yet today. Both sides have their positions initially, but, for example, a one percent increase in an agreement will equal to about \$3.5 million dollars.

There is an impact and, yes, it will impact on all services and so on when we look at our fiscal picture. That is why it is important that we build a sound fiscal strategy as we go forward. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay. General comments. What is the wish of the committee?

SOME HON. MEMBERS: Detail.

CHAIRMAN (Mr. Pokiak): Can the committee turn to 2-57? Activity summary, directorate. Sorry; 2-57, volume 1. Thank you. Does the committee have volume 1, page 2-57?

SOME HON. MEMBERS: Yes.

CHAIRMAN (Mr. Pokiak): Okay. Activity summary, directorate, operations expenditure summary, \$4.089 million. Mr. Ramsay.

MR. RAMSAY: Thanks, Mr. Chairman. I just want to get a brief explanation on why under the details of other expenses, travel, the 2003-04 actuals were at \$64,000, but the directorate is slated in the 2004-05 mains at \$173,000 and the 2005-06 mains at \$174,000, which is three times what the actuals were in 2003-04. Can I get an explanation on why they could do it one year for \$64,000 and now it's \$174,000? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the difference the Member is speaking to is that in that year the budgeting was done to support the self-government process that we were involved with from the department, and it has changed since then. The demand for us to be at all the tables, and we found that the travel portion of it wasn't required at that amount and it's also accounted somewhat differently. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thanks, Mr. Chairman. The Minister doesn't have to supply that detail, but I wouldn't mind understanding a little bit more on what tables and who has to be where with regard to the increase. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I have to apologize. I didn't catch that last question.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I don't know if the Minister has this detail with him today, but I'd like to understand who has to be at which tables and why the expense has gone up from \$64,000 to \$174,000. A little more detail would be nice. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. We can get that information for the Members. Again, the way it was budgeted for has changed since the actuals to the 2004-05 mains is what we built in for the year we're in and we're about the same as what we are planning for, expenditure wise, for this budget exercise here. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I can appreciate that, but, again, maybe it's just me, but I don't understand how you could get away with a \$64,000 travel budget one year and have to increase that twofold the next year. The Minister is trying to explain it, but it doesn't make a great deal of sense to me. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, a comparison of the 2003 actuals to main estimates is one that's difficult. For example, if we went back a little further than that to the 2003-04 mains, at that time we would have seen an identified travel budget in the area of \$194,000. So the actual mains, as they were built at that time, we were estimating travel to be in the area of \$194,000. Actual dollars used at that time were \$64,000. From that point on we're going from mains to mains, 2003-04 mains to 2004-05 mains. We've budgeted a lower amount in 2003-04, recognizing that there was going to be less travel required by ourselves, but we still feel we need the dollars there to ensure that we can take part in the necessary discussions that we have direct involvement with. So it's difficult, again, to compare when you look at 2003-04 actuals to the main estimates, because the main estimates, again, are estimated by the departments to what requirements they are going to need and then we are going to have to account for the actual dollars.

Going into this process for 2006-07, you will see 2004-05 actuals and they can differ significantly, as well, from what was initially planned. So the 2003-04 mains we had planned for \$194,000 in expenditures. The actual dollars spent at that time were \$64,000. We felt there is still

going to be a need and we have to have the budget to take part in some of the discussions that are happening, and that's why we've targeted \$173,000 for 2004-05 and then 2005-06 we're targeting \$174,000. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. The cost-cutting exercise that was undertaken last year to cut travel by 25 percent government-wide; how is that portrayed in these line items here? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the amount we've identified here for going forward with this budget that's before Members, \$174,000 for travel includes, for example, superintendent's travel to headquarters for the meetings that are required. As well, there is a new human resource assistant deputy minister and the traveling for the staff directly involved in that process. So we know there's going to be that requirement and that's why you don't see the corresponding 25 percent reduction process, because we've added further responsibilities to this that were not there before and that's why we're keeping our travel in the area very similar to the 2004-05 main estimates. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I think it's just a recurring thing throughout, and it was when we were going through the draft mains, to follow along and actually identify where that 25 percent cost-cutting measure was in terms of travel, because now it's just back to where it was it's hard to make that link. So I'll leave it at that. Again, the thing for me is if you can have a budget of \$64,000 in one year, I don't understand why it goes up so much.

The other thing I wanted to mention, Mr. Chairman, is the formula. If you look across government, there's a formula in most departments and this one seems to be holding true here on the formula. But you take the number of employees and you multiply it by 10, or \$11,000, and that gives you your travel budget, and I'm not sure if all departments arrive at the same. It just seems to play itself out across government that that's the case. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland, would you like to respond?

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, that's not the formula we use. In fact, within FMBS, we go through a zero-base exercise. It's quite a process and we've made a new binder to bring forward just on that aspect alone. The difference that we see here is that it's difficult to compare actual dollars to main estimate, but we've also added responsibilities in this year going forward. We know we will require more travel and that's why we've kept it at the same amount, but there are additional responsibilities and there's going to be an additional requirement to travel, especially if we continue in this process of the human resource service centres. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Menicoche.

Committee Motion 21-15(3): Recommendation To Resolve The Sirius Diamond Receivership Issue, Carried

MR. MENICOCHÉ: Mr. Chairman, I have a motion. I move that this committee recommends that the chairman of the Financial Management Board work diligently with the Minister of Resources, Wildlife and Economic Development to deal proactively with the growing financial and human resource liability and that the Sirius Diamond receivership issue be resolved in the public interest no later than April 1, 2005;

And further, the committee recommends that the GNWT establish a firm position for dealing with diamond mines and resolve the issues affecting the viability of the secondary diamond processing industry in the NWT as quickly as possible.

Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you. The motion is on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

CHAIRMAN (Mr. Pokiak): Question has been called. All those in favour? All those opposed? The motion is carried.

---Carried

---Applause

Page 2-57, \$4.089 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-58, directorate, grants and contributions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-59 is blank. Information item, directorate, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Information item, 2-61, directorate, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-63, active summary, labour relations and compensation services. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. Sometimes it's a bit of a quiz knowing just where to bring the question up, but I think the question I have belongs in this area. It relates to some of the information contained in the 2005-2008 Business Plan that FMB has filed along with the rest of the government, and it relates to the undertaking to do a comprehensive review of the Public Service Act, Mr. Chairman, the act and regulations, with a view to updating the act and regulations during this coming fiscal year.

This is a major piece of work and it is one that I support and look forward to. I wanted to ask the Minister if we could get just a bit of a snapshot of some of the highlights of what some of the anticipated areas of revision would be. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the Public Service Act that we are going to be going forward with is going to follow on the heels of the human resource service centres' work. Once we have that piece of work done, then we can begin to focus on that. This is one of the high priorities that we hold. As we move forward with that, we are going to need to sit down with committee members to see where we want to see our public service go and how we proceed down the road that is acceptable to Members of the Assembly. It's early and we need to sit down and have that discussion, but it will follow as we proceed and conclude the work on the human resource service centres. That's taking up a fair bit of energy now. Once we have that process down, our staff within that area can refocus and start looking at the Public Service Act and the need for change. At that point, I would be coming back to committee to seek input as to where we want to see this process go. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. So the intention, as outlined in the business plan to do this in the coming fiscal year, there's a suggestion that we may need to back off from that timing.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I don't believe there's a need to back off on this one. As we go through the next process, we will be able to get started on it this year coming up and begin that process. So I don't believe it's a backing off. It's a matter of getting started and ensuring we are heading down the right path. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Good. I am pleased to see we are keeping the initiative. These are big pieces of work. We had expressed an intention at the beginning of our term as the Legislative Assembly to focus on this. I look forward to seeing progress on this in the coming year, Mr. Chairman. I certainly would like to avoid a traffic jam, if you will, as our term comes to a close. We have about two-and-a-half years left to make some of these changes, so let's keep going.

Mr. Chairman, I have one other question. I believe it's in this area, again, from the business plan. There is an objective to complete a review and implement recommendations for the establishment of a benefit service centre. I just wanted to ask for a bit of an explanation. What is a benefit service centre? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, that work is now part of the human resource service centres that we are working on and the pay and benefits side has been incorporated into that, so that work is proceeding. From the headquarters end, we are looking at amalgamating the pay...I guess it comes down to the

ability to write the cheques to one location so we have consistency in that area. That work is, again, part of the process we are in now through the human resource service centres. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Going to 2-63, activity summary, labour relations and compensation services. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. I just want some clarification from the Minister on this. The GNWT is also responsible for regulating their payments for GNWT boards. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the government does, through another section, regulate honorariums that would be set up for different boards and agencies that would work for us or work under us, but not under this section. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. Just for clarification, it would be another section of the Financial Management Board? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Yes, it's underneath government accounting and within our Financial Administration Manual where we set these guidelines up. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I would like to ask the Minister questions about the health care job evaluations that have been going on. The Minister's opening statement indicated in the paragraph about that section...I am not sure whether or not he says the evaluations have been completed because we know that there have been some disagreements or some disputes about the evaluations. There were quite a few employees who were not happy with the results of the evaluations. Could I get the Minister to update us on where we are at with that? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the current status we are at right now is there are 15 appeals outstanding around the whole government, around the job evaluation process that was used. In addition to the above, there are 32 health care employees who have filed appeals in that area. So things are moving along. There are a number of appeals that have been filed. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you. Are these outstanding appeals just moving along with the process, or is there something

extraordinary that's getting in the way of it or are they just going through the process? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. My understanding is the process is moving along and things are moving at the normal pace, whether some may accept that or not. It is moving along and it's a matter of scheduling the actual hearings. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: That's the number one rule. If you ask a general question, you are going to get a general answer. Sorry, I can't really get into detail on this. Let me just move to before your agreement with the NWT Medical Association with doctors and contractors. That's a four-year agreement. The GNWT is now under negotiation for the UNW contract, which includes the nurses and other health care professionals. I am not sure if the Minister responsible for the FMBS can answer this, but earlier today in answering questions about the lack of family doctors for some people who cannot get a family doctor, the Minister of Health and Social Services provided to this House answers pertaining to the possibilities of looking at some options such as a walk-in clinic, reprofiling emergency clinics or consolidating different medical clinics to provide a better service. I am thinking anything like that should be part of the discussion before you go into negotiations. I don't even know how to ask this. I am sure the Minister is not going to give me information on the negotiations. Let me ask anyway. Would this be part of the discussions about what the government is planning on doing in terms of delivering health care services and some of the changes that the government wants to make? Do you talk to the health care providers about those things, or are those negotiations strictly on compensation and benefits?

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The negotiation process would be based on terms and conditions of employment, so the process would be on existing established positions. We don't incorporate what might be down the road, so we are working with their existing arrangements around that scenario. Further discussions the Member has identified are things that, as a government, we would have to endorse, number one, and then follow through the process. That type of discussion doesn't happen at the table. If we know this is coming into effect and that would become part of it. If there is already a plan and acceptance of changes that are coming down, then that would be identified and included in the discussions. It's to the extent of knowing where we are going and the positions identified and put into the plan. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. Could I just ask the Minister what the time frame is that we are working with with the negotiations that the government is under now? What is the time frame? I think the negotiations started

before the current contract has ended, so I just wanted to have that information. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. It would be our wish to have one concluded before the existing one expires. It expires at the end of March, but, if required, we will continue on and hopefully get a settlement in the spring. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Page 2-63, activity summary, labour relations and compensation services.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Operation expenditure summary, \$7.276 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-64, information item, labour relations and compensation services, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-65, information item, labour relation and compensation services, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-67, activity summary, government accounting, operations expenditure summary, \$11.636 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 2-69, activity summary, government accounting, Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. There are a few areas that I would like to delve into here under the power subsidy issue. The program, as outlined here, suggests that the government is going to inject about \$8.3 million into subsidizing electrical power that will largely go to individual households in the diesel powered communities, Mr. Chairman. A smaller amount goes to a commercial subsidy program. I would note, Mr. Chairman, that that is a projected increase of about \$1.2 million from this current year. I'm sorry; it is the same as this current year, Mr. Chairman, but this current year is \$1.2 million ahead of last year. So we are going from about \$7.2 million last year to a projected \$8.3 million this year and it's going to stay the same next year. Mr. Chairman, this begs a little bit of a question. The cost of the Power Subsidy Program to this government has risen about \$1 million a year for last four or five years.

MS. LEE: Indoor gym.

MR. BRADEN: Why is it that all of a sudden we're about to put the brakes on this and anticipate no change? It just looks as if there's some kind of an anomaly going on with the trends in the forecasting. That's where I'd like to put this question. Why, in the face of sustained and fairly predictable increases in the cost of this subsidy, is there

no increase forecast for next year? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Yakeleya): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the Power Subsidy Program has grown over the last number of years and we've had to change it accordingly or come in for higher costs. There have been a number of factors that were involved in that growth, the change in the way the billing was done or the rate riders and so on. I'll have Mr. Voytilla go into that. Before that, though, the Power Subsidy Program is paid to residential customers as well as some of the small business ones, depending on their amount of profit and the size of it. But the vast majority is for residential customers and it is anybody who pays more than the Yellowknife rate. It doesn't matter what type of power you get; if you're above the Yellowknife rate, you'll be subsidized for the first 700 kilowatt hours. But for the detail in some of the changes that have happened and the way the subsidy was put together and why we have some room and not moving up in the five or six areas, I'll have Mr. Voytilla give that detail.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Voytilla.

MR. VOYTILLA: Thank you, Mr. Chairman. We're actually engaged this year in a major review of the Power Support Program. There have been a lot of concerns expressed recently about sustainability of the program. We, of course, share those concerns and want to make sure that we have a good handle on what's happening with the program across the Territories.

As the Minister already pointed out, about \$8 million is our estimate for the residential component of the program and the commercial is about \$200,000 to \$300,000. We have seen very rapid increases in the last few years and a lot of that is because of significant changes in the rate structure that has been approved by the Public Utilities Board. The Power Corporation introduced a program of rate rebalancing a number of years ago, where they attempted to make the burden, I guess, of meeting the revenue requirement more equitable between classes of customers. What we found is that there was a shift away from the government as the main player, if you will, of the bill to a more equitable distribution between government users, industry users and residential users. The more burden that was put on the residential users, the more the Power Subsidy Program went up, because that increased residential rates significantly in communities. In some cases, rates over the seven-year period we looked at rose as much as 100 percent.

So the rate rebalancing had a big impact in the past years on the Power Support Program and that's pretty much done now. They pretty much stabilized and made the rates equitable. In addition for next year, we're not anticipating the similar fuel price increases that we saw this year, so we don't expect that the Power Corporation or NUL will need to make significant adjustments in rates for fuel prices, so that tends to smooth the increase out.

I wouldn't note that we had budgeted \$8.3 million this year in anticipation of a new rate rider coming in for the higher diesel cost. In fact, the rate riders that have been applied for are less than we anticipated. So \$8.3 million might be

a little bit high for this year and, as a result, we think it will be adequate to fund our requirements for next year.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Voytilla. Mr. Braden. Mr. Menicoche. Sorry, Mr. Braden, did you have a follow-up?

MR. BRADEN: Yes. I'll get back.

CHAIRMAN (Mr. Ramsay): Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. This has been one of the topics that I'm passionate about, is our Territorial Power Subsidy Program and where we're going with the territorial power subsidy. I'm just wondering, has the Minister looked at the terms of reference of how they wish to look at this subject. I'm of the mind that everyone has to pay the same, just like every other jurisdiction in Canada. I might be going a bit outside the topic here, but I wonder if there's leeway at all in the deliberation of the territorial power support and, indeed, of the Power Corporation of looking at their rate structure at all and make some suggestions. I'm still thinking that even if we levelize the diesel communities to having one rate, that might be a place that we want to look at. Just in terms of the terms of reference, Mr. Chairman, if the Minister can answer that for me.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the work that's undergoing within the review of the Power Subsidy Program is one around the existing rate structure, what's driving the costs. So right now it is not identified to look at the rate structure itself as that is not within our purview as the Financial Management Board Secretariat. The power rate structure itself falls under the Public Utilities Board. So our work is around the existing program, what's driving the cost, what levels of support there should be, should there be changes, things of that nature. So it will be around the existing program as it's structured to date. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. One of the things I'm starting to hear back in my riding is that as I talk to the elders, they're saying, okay, listen, you guys are helping me subsidize my fuel and I still need assistance with my cost of living. Can the government subsidize the power for elders, those over the age of 65 and on pension? Is that something this review could look at, Mr. Chairman?

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as the program is laid out now, anybody who has a household that is paying higher than the Yellowknife base rate, as we call it, would qualify for a subsidy. So elders, if they have their own home and their rate is higher than the Yellowknife rate would qualify for subsidy. If there are other problems around income and not being able to afford that, then we have some other programs within government that could be looked into. But specifically in this area as it would apply today, elders would be a part of

the package when you look at the existing structures and the way this Power Subsidy Program works. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. I believe that the seniors were looking for something further. They're owning their own houses and in the diesel communities, Mr. Chairman, they are paying quite a bit. I don't know if it's leaks in their system, but I'm telling the Minister they're only taking home \$750 a month and their power bill is \$250. That's far beyond what they can afford. They're asking if there's a way for us to subsidize the power elders are receiving, beyond the way it exists now. Is there some other supplementary way of doing it much like we're contributing towards our costs of... I think if we buy them one tank of fuel per year, can we do something like that for the elders? I think that one tank of fuel has a value of \$500. Can we do that? Let's call it a \$500 rebate for power to the elders. Can we look at that, Mr. Chairman?

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as the program exists today, elders who own their own homes and are paying the power bill do qualify for a subsidy; the same subsidy that's available to all residents in the territory. For a rebate of that nature, if the committee felt strong enough for the government overall to look at establishing something like that, we would look at it. But under the review that is happening, it's around the existing structure, the rates, what's driving those rates, and the cost to go up and look at that side of the equation. We have other programs out there. As the Member touched on, we have the Fuel Subsidy Program for seniors, as well, to try to help lower the cost of living in our communities in the Northwest Territories and there are other programs that people could apply for. Through our income support programs of hardship, there are areas there as well. There are a number of other areas and that's some of the difficulty, I guess, in the Northwest Territories, is that there are different departments that offer programs that are meant to mitigate the cost of living in the northern communities.

Specifically to the Power Support Program issue, again, the subsidy is just that. It's providing a subsidy to help people in the Northwest Territories that have their homes and are paying their power themselves. Then we do have a number of other programs out there, but not related to this. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. I wasn't quite clear if the Minister was willing to allow it as part of the terms of reference when they're reviewing the Territorial Power Support Program. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Roland, can you clarify that, please?

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The review that's ongoing is one that we're doing from within FMBS. It's ongoing now. At this time I'm not anticipating that we would change the work that's going to include

other work. What I did state was if Members of this Assembly felt that it was an area that we need to address and make that recommendation, then we would definitely look at that. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden is next. Mr. Braden, my apologies for not recognizing you. There was a change in chairs here. My apologies. Go ahead, Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. We're always ready to accommodate everybody in Committee of the Whole. I appreciate your mention. I wanted to thank Mr. Voytilla for that explanation. Obviously he and his work with the folks at the Power Corporation and perhaps the Public Utilities Board and Northland Utilities will have access to a greater level of detail than I. I can only hope that forecast of zero growth in the cost of this subsidy will hold for this coming year. I guess I must express some skepticism considering the trend that we've seen, but I will not challenge it any further.

The government-wide review of our overall social safety net, I guess I wanted to just confirm, Mr. Chairman, that this government has something like 17 different subsidy and assistance programs spread out over something like six departments or eight departments and four different delivery vehicles. It's quite a complicated approach we take. Now the Power Subsidy Program is one of those. Is that the overall review that the Minister was talking about when it was either he or Mr. Voytilla who said, okay, we're going to look at this whole thing from top to bottom? Is that in conjunction with the government-wide review? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. It's not in conjunction, but that information will be very useful as we go forward. Mr. Braden has touched on an area that is something we are beginning to look at overall. The subsidy programs and what we have available, there are quite a number of them, as he stated, that better coordination would definitely be an asset to those who access the program and for ourselves as accounting and for identifying the kind of support we give residents of the Northwest Territories. But the work that's ongoing right now within FMBS around the Territorial Power Support Program is directly to do with the Power Support Program. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Okay. Thank you. I'm pleased to hear that in this forum. I'm going to be looking forward to that debate and the involvement to see what various communities and customers across the NWT have to say. Electricity is an essential service and it's a very costly one, of course, in many of our communities. There is though also, I think, a very real requirement, along with some kind of a subsidy or cost redistribution mechanism, for a strong enough price on it, Mr. Chairman, to promote and stimulate conservation. This is going to be a really interesting discussion of this very essential service. Now is not the time for it, so I won't get into any of the other levels, but I do look forward to it.

Mr. Chairman, there is another aspect of the Power Support Program administration for this year that I wanted to follow up on. I think Mr. Menicoche had already indicated or made reference to the FMBS decision of just a couple months ago to take up the rate rider in the diesel communities. This was a rate rider of about 3.3 cents a kilowatt hour that this government is going to absorb. So customers out there are saved, they are rescued from this interim rate rider. It's going to cost us about \$620,000 and could save, depending on where the house and community was, the customer up to about \$150 a year, which is a substantial subsidy. So way to go; I'm in favour of it.

Where I wanted to seek some clarification, Mr. Chairman, was in whether or not this is going to be a universally-applied rescue package, if you will. The rate riders that this program comes into affects the diesel communities. We've been advised by the Power Corporation that the communities that are on hydro, which do need some diesel, will also be experiencing a rate rider probably in March of this year. I wanted to ask the Minister, is the move that has already been taken in the diesel communities also going to apply when rate riders come into effect for other communities in the NWT? Will there be universality? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the program, as it's laid out, is based on Yellowknife rates, so those that receive the subsidy would be paying higher than the Yellowknife rate and that is the program and we'll stay on that. The changes in dealing with the rate rider will work on the same principle. If we find, for example, the Yellowknife base rate goes up, then so will everybody else's rate go up accordingly, because Yellowknife, again, is used as the base rate and if it goes up then the subsidy will kick in from that rate up. So the rest of the residents of the North will feel, if the base rate goes up, a bit of an increase, as well, on how that would work. The subsidy will not change in how it's applied. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Thank you. I follow the Minister's argument there. I guess what I'm looking at is a rate rider, Mr. Chairman, from my understanding, is a temporary price adjustment. It is subject to certain terms and time frames. The Minister is referring to the base rate, which again, from my understanding, is something that goes through an extraordinarily complex process and has to be approved by the Public Utilities Board. The base rate will not change, because there's a temporary rate rider imposed on Yellowknife. So this is my understanding. I wanted to confirm with the Minister if this is the case. Are we understanding, or maybe we need to seek some more clarification? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I thank the Member for that question because it will help clarify the terminology being used. It would be the Yellowknife rate that would be worked with, not the base rate, as the Member has clarified, that exists now in the

rates that are adjusted and established by the PUB. It would be the Yellowknife rate and adjustments from that. That's the policy decision that we're following. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Okay. So does the policy read that the subsidy program is based on Yellowknife's base rate or Yellowknife's rate? What's the rule of the day? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the policy wording itself isn't as specific to say Yellowknife base rate, that we can compare it to the rates that are set up by the PUB. We've been interpreting it through FMBS as being the Yellowknife rate. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Okay. I think I'm going to want to park this one for now, Mr. Chairman. I'd like to go back and do a bit more investigation into that. The terminology is important to me. Whether it's rate or base rate gives it considerable flexibility and I'll come back to the core of my line of questioning which was universality. If there is going to be some kind of a temporary cost-induced increase for some power customers in the NWT and we're going to rescue them, why aren't we doing it for everybody? Electricity is electricity. I'm concerned that we're tinkering here with something that really I think is important across the board. There are some aspects of distributing power costs and things that we have accepted and absorbed. The Power Subsidy Program is certainly one of them. But now, as I say, I just feel that we're tinkering. But I'll need to do a bit more research and then I may come back either to committee or the Assembly with some further questioning.

I did have one more point to ask about though in this particular area and it relates to the rate rider. I call it the rescue program, Mr. Chairman, that was recently announced. There are some 22 communities included in here and I wanted to ask why Detah was included, Mr. Chairman. I don't want to pick on the good folks at Detah, but they are on the same power grid system as Yellowknife and Rae and I wanted to see why it is that they qualify for this area here when Rae and Yellowknife don't. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. We'll have to get that detail for the Member, but again, the way the Power Support Program is run, anybody paying higher than the Yellowknife rate would qualify for the subsidy and that's the basis that we're working on here. We'll get confirmation of that. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. We're going to go to Mr. Pokiak, who has one quick question, and then I'm going to call for a short 10-minute break. Thank you, gentlemen. I know you've been there for quite some time. So one quick question from Mr. Pokiak and then we'll take a break.

MR. POKIAK: Thank you, Mr. Chairman. Earlier, the Minister indicated that the smaller communities or the communities outside of Yellowknife and the bigger centres here are subsidized up to 700 kilowatt hours. The question I have is how does the department determine the 700 kilowatt hours for the subsidy? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Pokiak. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, my understanding of the program is when the Power Corporation was actually a federal entity it was established back then and has been following along the same program as we've taken it over. One of the things we're doing with our review is to look at that, as well, if that's the right sort of mechanism that we would use. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Pokiak.

MR. POKIAK: Thank you. Just one last one here. It's good to hear that the Minister and the department will look at the review of the 700 kilowatt hours. I look forward to that coming out. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Pokiak. Mr. Roland.

HON. FLOYD ROLAND: Yes, Mr. Chairman. Again, as we go through this and come up with the work, we'll be sharing that work with the Members. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Now I'll call for a short 10-minute break. Thank you.

---SHORT RECESS

CHAIRMAN (Mr. Ramsay): Welcome back everybody. We are on page 2-69 of the Financial Management Board Secretariat main estimates. Government accounting, grants and contributions, contributions, \$8.307 million. Mr. Braden.

MR. BRADEN: Mr. Chairman, thank you. Before the break we were discussing the Power Subsidy Program, and I had raised a question, in my mind, about whether the policy referred to base rates or Yellowknife rates. I had a chance to look at the policy and, for the record, it says Yellowknife rates, which, therefore, of course, gives the FMBS the ability to apply the subsidy according to whatever the rate of the day is. I would take that interpretation of it. Thank you, Mr. Chairman. I just wanted to say that I had managed to check into that and that's the finding. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. The Minister is good. Government accounting, grants and contributions, contributions, \$8.307 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-70, government accounting, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-71, government accounting, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-72.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-73, budgeting and evaluation, operations expenditure summary, \$1.485 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-74 is blank. Page 2-75, budgeting and evaluation, grants and contributions, grants, \$105,000. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-76, budgeting and evaluation, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-77, active positions, budgeting and evaluation.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-79.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-79, Audit Bureau, operations expenditure summary, \$1.147 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-80, Audit Bureau, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-81, Audit Bureau, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-82, corporate human resource services.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-83, corporate human resource services, operations expenditure summary, \$4.419 million. Ms. Lee.

MS. LEE: Thank you. Could I just ask the Minister with the centralization of the human resource functions, do you foresee this section being changed in any way and how?

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. Mr. Minister.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, yes, we foresee this area changing. Right now it's recognizing the human resource services that we have existing. With the structure changing, it will grow accordingly and we'll have to recognize that as we go forward. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Ms. Lee.

MS. LEE: Thank you. I can appreciate that, because the regionalization/centralization plan is still at an initial stage. To me, this is a very important part of the whole picture. I would like to know from the Minister if he is planning on bringing to us a more comprehensive plan about how these two functions are going to be combined and interconnected more. Maybe if he could bring that by the business plan session this fall. I would like to see some really concrete plans on some movements that the government could make on a management and training program, or a succession planning program. Right now, for example, Mr. Chairman, there are programs where employees get to go on education leave, for example, but I think it's largely done within a department. It's on a department-by-department basis, and it's largely based on deputy ministers approving these leaves and there is no real comprehensive, rational plan that everybody understands where all the civil servants can apply and such. That's just one area but, as I stated earlier, I am supporting rationalization of human resource planning because of the kinds of things that I like to see here. So I would like to get a commitment from the Minister that he is going to come to us in the fall, during the business plan review session, with that sort of concrete package. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. Mr. Minister.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Yes, we will be bringing it back to Members with much more filled out area with the direction we're going in. We'll have it to you, actually, before the business plan session. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Back to page 2-83, corporate human resource services, operations expenditure summary, \$4.419 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-86, corporate human resource services, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-87, corporate human resource services, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-88, work performed on behalf of others, \$193,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): I'll draw Members' attention to page 2-51. That's the operations expenditure summary, \$30.051 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Does committee agree that this concludes the FMBS portion?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Agreed. Thank you, committee. Volume II, page 2-5, infrastructure investment summary for FMBS, \$3.116 million. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. The need to replace this big piece of computer infrastructure has been demonstrated, at least to me. I know that has come up for probably the last three years in discussions of this department, so we're moving ahead on it. This current year, according to the information provided, we'll be spending about \$183,000 on it. The department is asking for \$500,000 this year, with the anticipation of spending \$15 million over the next two years, for a total project cost of \$15.7 million. That is a very large computer, Mr. Chairman.

A question that I wanted to ask; we're just about finished spending \$183,000 preparing for this project and we're looking at spending \$500,000 this year. Seven-and-a-half million dollars for the coming two fiscal years are really large, big, round numbers. What I wanted to ask is how close are we getting to a more accurate and a more detailed cost of replacing and upgrading this system? Fifteen million dollars is, to me, an awfully large, very well-rounded number, and I'm looking for some more detail and more precision in this area.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Minister.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the prior year costs -- that's for 2004-05 -- \$183,000, that's the business plan look at what we're going to need. For 2005-06, \$500,000 is the system selection. We're going to have to make a decision at that point what system we're actually going to go with. So for 2006-07 and 2007-08, these are estimates that we feel are in the ballpark of where we're going to get and need. But until we actually make the 2005-06 system selection, we're going to be in the area of ballparking. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Back to 2-5, \$3.116 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-6, under directorate, infrastructure investment summary, total net book value and work in progress, \$723,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-7, directorate, total department, \$500,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-8, labour relations and compensation services, infrastructure investment summary, total net book value and work in progress, \$1.574 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 2-9, government accounting, infrastructure investment summary, total net book value and work in progress, \$819,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Back to the total on page 2-5, \$3.116 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Agreed. Does committee agree that the consideration of FMBS's estimates is concluded?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you, committee. I would like to thank Mr. Minister and your witnesses, Mr. Taggart and Mr. Voytilla, for your indulgence this evening. Thank you. What is the wish of the committee? Mr. Menicoche.

MR. MENICOCHÉ: Mr. Chair, I move that we report progress.

CHAIRMAN (Mr. Ramsay): Thank you. The Member moves that we report progress. It's not debatable. All those in favour? Any opposed? The motion is carried.

---Carried

I will now rise and report progress.

MR. SPEAKER: Can I get the report of Committee of the Whole, please?

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

MR. RAMSAY: Thank you, Mr. Speaker. Your committee has been considering Bill 18, An Act to Amend the Territorial Court Act; Bill 19, Appropriation Act, 2005-2006; and, Committee Report 9-15(3), and would like to report progress with one motion being adopted and that Bill 18 is ready for third reading. Mr. Speaker, I move that the report of Committee of the Whole be concurred with.

MR. SPEAKER: Thank you, Mr. Ramsay. A motion is on the floor. Do we have a seconder? The honourable Minister of Finance, the Honourable Floyd Roland. All those in favour? Opposed? The motion is carried.

---Carried

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

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Mercer): Mr. Speaker, there will be a meeting of the Accountability and Oversight committee tomorrow morning at 9:00; meetings of the Governance and Economic Development committee and Social Programs committee at 10:30 a.m.; and another meeting of the Social Programs committee tomorrow at noon.

Orders of the day for Wednesday, February 16th, at 1:30 p.m.:

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

8. Returns to Written Questions
9. Replies to Opening Address
10. Replies to Budget Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
 - Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 15, Tlicho Community Services Agency Act
 - Bill 16, Northwest Territories Business Development and Investment Corporation Act
 - Bill 19, Appropriation Act, 2005-2006
 - Committee Report 9-15(3), Standing Committee on Accountability and Oversight Report on the Review of the Draft 2005-2006 Main Estimates
 - Committee Report 10-15(3), Standing Committee on Governance and Economic Development Report on the Review of the Draft 2005-2006 Main Estimates
 - Committee Report 11-15(3), Standing Committee on Social Programs Report on the Review of the Draft 2005-2006 Main Estimates
21. Report of Committee of the Whole
22. Third Reading of Bills
 - Bill 18, An Act to Amend the Territorial Court Act
23. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until February 16, 2005, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 7:05 p.m.

