



NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

3rd Session

Day 46

15th Assembly

HANSARD

Tuesday, March 1, 2005

Pages 1631 - 1674

The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Box 1320
Yellowknife, Northwest Territories
Tel: (867) 669-2200 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784
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Published under the authority of the Speaker of the Legislative Assembly of the Northwest Territories

TABLE OF CONTENTS

PRAYER	1631
MINISTERS' STATEMENTS	1631
99-15(3) - PROTECTION AGAINST FAMILY VIOLENCE ACT.....	1631
100-15(3) - SUPPORT TO THE TRADITIONAL ECONOMY	1631
101-15(3) - CANADA NORTHWEST FASD PARTNERSHIP MINISTERS' MEETING	1632
MEMBERS' STATEMENTS	1632
MR. MENICOCHÉ ON MUNICIPAL STATUS OF FORT SIMPSON	1632
MRS. GROENEWEGEN ON JUSTICE BUDGET REDUCTIONS IN HAY RIVER.....	1633
MR. BRADEN ON APPOINTMENT TO THE WORKERS' COMPENSATION BOARD APPEALS TRIBUNAL.....	1633
MR. ROBERT MCLEOD ON "CRACK BUSTERS" CRACK COCAINE OUTPATIENT TREATMENT PROGRAM.....	1634
MR. RAMSAY ON MINISTERIAL RESPONSIBILITY FOR NORTH SLAVE CORRECTIONAL CENTRE	1634
MR. VILLENEUVE ON MUNICIPAL PROPERTY TAX ARREARS	1635
MS. LEE ON YELLOWKNIFE ASSOCIATION FOR COMMUNITY LIVING'S RESPITE CARE PROGRAM	1635
HON. DAVID KRUTKO ON CHIEF JOHNNY D. CHARLIE MEMORIAL SNOWMOBILE TRIP	1636
ORAL QUESTIONS	1636
WRITTEN QUESTIONS	1648
CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS	1648
REPORT OF COMMITTEE OF THE WHOLE	1674
ORDERS OF THE DAY	1674

YELLOWKNIFE, NORTHWEST TERRITORIES

Tuesday, March 1, 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. Ramsay, Honourable Floyd Roland, Mr. Villeneuve, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Good afternoon, colleagues. It's nice to see some of you are all refreshed and awake after that get-active walk we had today. Item 2, Ministers' statements. The honourable Minister of Justice, Mr. Dent.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 99-15(3): Protection Against Family Violence Act

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, today I would like to update the House on the implementation of the Protection Against Family Violence Act.

This important legislation will come into force on April 1st. It provides a new choice for people who are experiencing family violence. Family members can get an emergency protection order any time of the day or night in only a few hours. This gives people help right away without having to go to court. The emergency protection order is granted by a designated justice and if the abusive person breaches the order, the police can help.

A judge will review the order within three days to make sure it is appropriate. If the judge has questions about the order, he or she might ask the people involved to come to a hearing to tell their sides of the story. An emergency protection order can last up to 90 days and if the person still needs protection, they can hire a lawyer and go to court to ask for a protection order which lasts longer.

The department's first priority is to train RCMP officers and family violence counsellors at Alison McAteer House since they will be assisting people with applications. This training will take place March 7th and 8th. In April, the department's family violence coordinator will begin visiting communities to train key referral sources such as social workers, nurses and people who work for community organizations like shelters.

Advertising for this new choice will begin on April 1st, the day it becomes available. There will be newspaper, radio and TV ads, booklets info-cards and posters. As well, people who are trained as community helpers will have small signs on their desks to indicate that they can help people who are suffering from abuse. The signs will say "Let's Talk" and will have the same images as the posters and other printed materials.

This has been a collaborative process between Justice, Health and Social Services, the RCMP, local social workers and non-government organizations like the YWCA and the Native Women's Association. I'm looking

forward to seeing the results of their hard work. I know that together, we can make our communities safer for people suffering from family violence in any of its forms. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Dent. Item 2, Ministers' statements. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

Minister's Statement 100-15(3): Support To The Traditional Economy

HON. BRENDAN BELL: Mr. Speaker, the Legislative Assembly's vision for a diversified economy includes a traditional economy capable of creating and maintaining a livelihood and healthy lifestyle for those residents who choose to participate in it.

Today I would like to highlight some of the significant achievements made to support this important economic sector during the past year.

Last year, the Department of Resources, Wildlife and Economic Development implemented revisions to the Fur Marketing Program. Elements of this program include:

- a guaranteed advance for all fur harvested by trappers in the NWT;
- a prime fur bonus payable to the trapper if fur is sold at auction for a value equal to or greater than the advance; and
- a grubstake program for eligible trappers at the start of each season to defray a portion of start-up costs.

---Applause

The advances are based upon market estimates for fur prices at auction. Last year, 80 percent of the fur sold through this program resulted in bonus payments to trappers.

This means trappers are bringing in prime pelts that have been properly handled to meet auction requirements. It also shows that prices set under this program accurately reflect market conditions.

Mr. Speaker, I am pleased to report that the program combined with sale proceeds generated \$1.2 million for trappers in the Northwest Territories.

---Applause

This is an increase of almost \$250,000 over previous years.

All indications point to another good year for trappers. Market conditions are excellent with prices stabilizing or increasing, especially for sealskins, marten, beaver and lynx where demand is exceeding supply. This trend is expected to continue with the growth of demand in the Asia Pacific market.

We continue to support our trappers with annual trapper workshops each fall to demonstrate new techniques and technology in the fur trade. This month, Mr. Speaker, a special series of workshops on wolf pelt handling techniques is being held in four communities. These workshops will help trappers obtain higher prices for wolf pelts sent to auction. Roger Catling and Miranda Cassaway of Fort Reliance are leading the workshops. These two individuals are recognized by fur auction houses for their consistent supply of high quality wolf pelts.

Trapper training and land life skills programs are being offered in each region this winter for new trappers and young people, both in and outside the school systems. These programs assist in the transfer of skills and encourage young people to consider trapping as a viable seasonal career choice.

Mr. Speaker, this government recognizes the important contributions our harvesters make to their communities and traditional cultures. We want to ensure their special skills and knowledge are passed onto future generations so they can continue the role of caretakers and monitors of our land and wildlife. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Bell. Item 2, Ministers' statements. The honourable Minister of Health and Social Services, Mr. Miltenberger.

Minister's Statement 101-15(3): Canada Northwest FASD Partnership Ministers' Meeting

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, this past weekend I attended the Canada Northwest Fetal Alcohol Spectrum Disorder Partnership, FASD, meeting of northern and western Ministers in Victoria.

The partnership, established in 1998, is comprised of B.C., the three prairie provinces and the three territories. It represents an alliance of jurisdictions working towards the development and promotion of an inter-provincial/territorial approach to prevention, intervention, care and support of individuals affected by FASD.

The partnership has identified four specific areas of strategic focus:

- research and evaluation
- government leadership
- community capacity
- federal relations

Mr. Speaker, we know that FASD is 100 percent preventable. Therefore, it is critical that awareness and prevention activities continue to be developed and pursued, and individuals be given the support they need to make healthy choices.

Last fall, the partnership established a research network to coordinate research and development, specifically in the four western provinces and three territories. The intention is to compile evidence-based information that will guide progressive, inclusive policy, ultimately better the lives of individuals and families affected by the disorder.

What this means for the NWT is that we will be able to influence and have access to FASD research that is relevant to the NWT, taking into account northern, rural and aboriginal perspectives.

This past weekend was the inaugural meeting of the board of directors for the research network. The board is comprised of 15 members, including leading FASD and health care experts from each of the jurisdictions. Dr. Sterling Clarren, an internationally recognized expert in FASD, has been hired to lead the network as the CEO and scientific director.

As the network begins its work, it will be visiting each jurisdiction in the coming months to assess the public's priorities with respect to FASD.

At the same time as we are meeting, there was a major FASD conference being held, including participants from across Canada. I had an opportunity to sit in for part of the proceedings, including a presentation by a Cree judge from Saskatchewan who talked passionately about her experience in seeing daily in her court, the impacts of FASD on people's lives. It was a stark reminder that we must all work together to better understand and address this disorder, as it has far-reaching implications, including impacts on the justice system, education system, housing and homelessness.

Mr. Speaker, FASD affects about nine in every 1,000 children born in Canada each year and is the result of permanent brain damage. The work of the partnership will contribute to the prevention of FASD and to better the lives of individuals affected by this disorder. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Menicoche.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Municipal Status Of Fort Simpson

MR. MENICOCHÉ: Thank you, Mr. Speaker. Mr. Speaker, it has been over a week now since I last spoke about the unfair treatment of Fort Simpson as a tax-based community. The village has been losing out on formula financing and now stands to lose out on the new deal for community governments because it has been wrongly lumped in with larger municipalities who have the ability to raise substantial property taxes. This is not a governance issue, Mr. Speaker; it's a funding issue. When it comes to funding, it makes more sense for Fort Simpson to be treated like a hamlet.

Mr. Speaker, the Minister spoke about this being a problem that only goes back a few years, but I can assure him that Fort Simpson has struggled with its financial viability off and on for decades, ever since it became a

tax-based community. The GNWT's corporate memory may have failed, but long-time residents of Fort Simpson remember the history well. This is an old issue and it's time it was resolved. There is just no way that 130 ratepayers can be expected to keep a village running. A \$40 million tax base is never going to be adequate and the 10-year projections are that it is not going to grow all that much. Everyone knows this. Otherwise, why aren't Tuktoyaktuk and Rae-Edzo municipal taxing authorities? Those are the communities Fort Simpson should be compared to, not Hay River, Inuvik, Norman Wells, Fort Smith and Yellowknife.

Mr. Speaker, I understand that the Minister is now reviewing the report his department commissioned to look into the village's funding. I hope his review will soon be over and would urge him to keep this at the top of his priority list so that we can see some movement on this in the near future.

There has been a lot of talk on this for a long time and the time for talking is over. I look forward to his actions. 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 Justice Budget Reductions In Hay River

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I have been told that it's difficult for people to understand what has transpired in Hay River with respect to Justice and corrections facilities. So today I want to provide a brief summary of why I find it necessary to challenge the Minister of Justice and the information he's providing with respect to these proposed closures.

In an effort to address budget reduction targets in departments, the Department of Justice proposed savings by the closure of the Dene K'onia Young Offenders Facility and the closure of the remand unit at the South Mackenzie Correctional Centre and the closure of the Hay River court registries. The planned closure of the court registries in Inuvik has since been reversed.

The Dene K'onia Young Offenders Facility employees 12 full-time and 10 casual employees. The stated savings to the government is \$1.5 million. It accommodated open custody young offenders from anywhere in the territory. At any given time, those in care might have been from Yellowknife, the Delta or the South Slave and it has operated at near capacity. Since the completion of the North Slave Correctional Centre and the adjoining young offenders facility, it was decided that it would be cheaper to accommodate open custody young offenders in Yellowknife; thus, the planned closure in Hay River. The young offenders service was in Hay River long before the North Slave facility was built for \$50 million, but now that is good justification to save \$1.5 million. Do the math on that one, Mr. Speaker.

I have numerous issues with this plan, but let me clarify just a couple of those reasons. The Minister has repeatedly stated that it's less expensive to operate in Yellowknife. Since the Minister asserts that the \$1.5 million saved is a net savings, my question was how much

does it cost to take care of those same eight young offenders in Yellowknife. I think that's a reasonable question. The impacts of closing Dene K'onia to Hay River and the employees are very significant. Therefore, it's my responsibility to challenge and question the Minister and it's his job to defend his decisions. It's not good enough to say he doesn't know how many youth are in the facility and it is certainly not good enough to garner support and buy-in by stating misleading numbers such as 22 staff caring for one or two kids.

The same principles apply to information about the closure of the remand unit in Hay River. If it's based purely on economics, as the Minister stated, then I want to know the numbers and data that went into those economics. Again, I find it hard to accept that the net savings is \$400,000 per year.

When I asked how that number was arrived at in relation to transport, Mr. Speaker, I would like to seek unanimous consent to conclude my statement.

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

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Thank you, colleagues. Again, I find it hard to accept that the net savings is \$400,000 per year. When I have asked how that number was arrived at in relation to transportation costs, the deployment of RCMP to escort prisoners and the cost of providing the service in Yellowknife, I have not gotten those answers. I have been waiting since question period on Friday to get statistics about utilization numbers and those numbers still haven't been provided.

If these closures were carefully analyzed prior to these decisions being made, then those numbers should be readily available. So, Mr. Speaker, it's a cop-out on the part of the Minister to tell the media yesterday that my statements in this House are because I am unhappy and angry with the cuts in my constituency.

That goes without saying and it's beside the point, Mr. Speaker. The point is I want answers to reasonable questions and it's my job to ask them. Unless we have entered a new era of unaccountable and non-transparent government, it's his job to answer those questions. 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 Appointment To The Workers' Compensation Board Appeals Tribunal

MR. BRADEN: Mahsi, Mr. Speaker. One of the prime responsibilities that we have as the Legislative Assembly and Cabinet of the Northwest Territories is to ensure that the boards and agencies and commissions that we establish are there for the continuance of good governance and good practice. Over the years, Mr. Speaker, this government has established well over 100 different agencies, boards and commissions and they affect many, many different walks of life. The

appointments that are made to these organizations are at the discretion of the Ministers in their various portfolios.

One of the most critical groups that we have in our mandate to continue good governance is the Workers' Compensation Board. There are a few different levels of appointments involved in here and, Mr. Speaker, it has come to my attention that an appointment that was recently made to the Appeals Tribunal of the Workers' Compensation Board was not done appropriately. A vacancy occurred in terms of representing a labour representative on the Appeals Tribunal, Mr. Speaker, but the Minister chose, in this case, to not follow the input of labour organizations in the Northwest Territories, a condition which is stipulated in the act. My understanding, Mr. Speaker, is that a private businessperson from the Northwest Territories was appointed to this very critical post.

Mr. Speaker, integrity and trust in these agencies is absolutely essential to the conduct, as I have stated, of our mandate to ensure that governance continues along the highest levels. In this case, Mr. Speaker, it appears to be the failure of our government to adhere to those principles. This is not a situation I believe we should tolerate and it should be challenged. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Braden. Item 3, Members' statements. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Member's Statement On "Crack Busters" Crack Cocaine Outpatient Treatment Program

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, yesterday I had the opportunity to attend the Social Programs committee meeting and take in a presentation of the Crack Busters program that is offered in the city of Yellowknife. It was a very informative meeting and I would like to thank the committee for hosting the meeting and the Salvation Army and the Tree of Peace addictions counsellors, as well as the men enrolled in the Crack Busters program, for taking the time to talk to us about the program and the insidious nature of crack cocaine.

Mr. Speaker, at this meeting, I learned that crack cocaine is not like the other drugs that we have had to deal with in the Northwest Territories up to this point. Unlike other drugs that have a physical addiction, crack cocaine is a psychological addiction. It works on your mind. It's all you think about and you just want to find that first high you got the first time you tried it. You can try it once and get hooked. Guess what, Mr. Speaker? The drug dealers love that. They love it so much, they would give out free samples because they know you will be back to buy more. They know you will sell everything you own, you will destroy your marriage, and you will steal from your friend's family or your workplace to buy some.

Back in November, I attended a meeting with 200 people who came out to talk on the drug problem in Inuvik. When the talk turned to drug dealers, all I can say, Mr. Speaker, is that with the mood of the crowd it's a good thing that no one brought a rope. The Crack Busters program has been running in Yellowknife since last September. It appears to be a success. The Tree of Peace and the

Salvation Army are to be commended for their support and championing of this program.

SOME HON. MEMBERS: Hear! Hear!

MR. MCLEOD: The people who have taken the program are to be commended for recognizing their problem and taking action. I wish them good luck in conquering their addiction.

What I find interesting, Mr. Speaker, is that this program is up and running with no support from the government or its agencies. It shows that a community can find its own solution to a problem.

I strongly encourage the government and the health and social services authorities to look at the Crack Busters program. It may not fit their present policies, but it certainly fits into the government's vision of people taking responsibility for their own lives.

SOME HON. MEMBERS: Right on.

MR. MCLEOD: In closing, I will be bringing back information to Inuvik on the Crack Busters program, to see if it can be adapted to our needs in the Delta. Make no mistake, Mr. Speaker, the drug dealers will only be about 20 minutes behind the pipeline workers.

MR. SPEAKER: Mr. McLeod, your time for your Member's statement has expired.

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

MR. SPEAKER: The Member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. You may conclude your statement, Mr. McLeod.

MR. MCLEOD: Thank you, Mr. Speaker, and thank you, colleagues. Make no mistake, Mr. Speaker, the drug dealers will only be about 20 minutes behind the pipeline workers. All residents will need to be vigilant in protecting their families and in helping the RCMP. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Ministerial Responsibility For North Slave Correctional Centre

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my statement today is about ministerial responsibility. Ministerial responsibility is a convention within certain democratic systems that defines ultimate accountability within government. According to the tenets of ministerial responsibility, Ministers are responsible for the actions of their department. This means if a department has been found responsible for a major misjudgement, responsibility falls on the Minister, regardless of whether he/she was involved or even aware of the situation. The assumption is that that is the Minister's job, to be aware and responsive to what is going on within his/her own department

Mr. Speaker, yesterday, I asked the Minister of Justice to take responsibility for the human resource problems out at North Slave Correctional Centre. I asked him to offer an apology to the employees who endured the appalling treatment from management. All the while at the ministerial level, there was a complete denial of any wrongdoing or problems whatsoever. Even now that an internal review has made it clear that significant problems existed, the Minister still refuses to apologize. Not only is that an insult to correctional workers, it's an insult to all Northwest Territories residents who have to foot the bill for this debacle. It is a substantial bill, Mr. Speaker.

Together with some colleagues on this side of the House, I have previously asked the Minister to provide actual figures to account for the cost of mismanagement. In many cases, the government won't provide these actual figures, citing protection of privacy and confidentiality. We do know that the Department of Justice spent \$216,395 on overtime for the period of one year leading up to May 31, 2004, and between June 1, 2004, and September 30, 2004, they spent another \$243,913 on overtime.

From this we can see the department spent more on overtime for that three-month period than the normal costs for an entire year. My simple calculations estimate approximately \$400,000, for the three of the nine wrongful dismissal suits that required compensation.

We will never know the entire cost of the abuse of sick leave, stress leave and extended medical leave, but my estimation puts this figure at about \$500,000.

MR. SPEAKER: Mr. Ramsay, your time for Member's statement has expired.

MR. RAMSAY: Thank you, Mr. Speaker. I seek unanimous consent to conclude my statement.

MR. SPEAKER: The Member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. You may conclude your statement, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker. The cost of the review of the corporate human resources was probably \$200,000, the cost of Corrections Canada help in implementing the recommendations that came from the report and their ongoing support would be, at the very least, \$150,000. If you add these costs up, it totals over \$1.5 million, Mr. Speaker.

In addition to his official response in the House that there were no problems out at North Slave Correctional Centre, he repeatedly told me that there were many happy employees at North Slave Correctional Centre and that the review would prove that nothing was wrong.

My point, Mr. Speaker, is that the Minister refuses to take responsibility for what went on at North Slave Correctional Centre under his watch. The Minister should pay attention to the fact that, as a government, we have spent at least \$1.5 million as a direct result of the management decisions at North Slave Correctional Centre. Mr. Speaker, I will be asking the Minister questions at the appropriate time. Thank you.

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

Member's Statement On Municipal Property Tax Arrears

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, today I rise to talk about the sensitive issue of outstanding property taxes that many communities are working to address and find a resolution or a plan that is mutually acceptable by all parties affected.

This issue has always been met with very little action or no headway being made by this government to do justice. Now it has been outstanding for at least 10 years, Mr. Speaker.

Mr. Speaker, the new deal for the Northwest Territories community governments is being rolled out and the implementation of the program will commence in one month and continue over the next four years. This government's new deal does not make any reference to this important outstanding issue or how it fits into the new deal initiative, even though many communities still have grave concerns with how this should be addressed or resolved.

One main concern, Mr. Speaker, is that as we sit and talk about the reasons for the delays and lack of progress in developing a plan to address these concerns, because of the sensitive nature of the topic, this interest is still accumulating every day on these outstanding property tax accounts. Mr. Speaker, besides all the stress and anxiety this issue creates, especially with the elders and the new homeowners, this also has detrimental effects to people's credit ratings and their ability to borrow money from any financial institutions.

Mr. Speaker, I fully support the new deal initiative and look forward to achieving more independent, strong, autonomous communities through this project. But I also support healthy communities and building individual self-esteem and self-respect amongst my constituents. If the issue of outstanding property taxes is left with the communities to deal with on behalf of the Department of Finance, with the new deal rolled out, the people are going to approach it with the same level of apathy and disdain as they do with many government plans put before them. I will be asking the Minister responsible for this department, some questions during question period today. Mahsi, Mr. Speaker.

---Applause

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

Member's Statement On Yellowknife Association For Community Living's Respite Care Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I was inspired by very compelling correspondence I received from a constituent of mine. I would like to speak today in support of the Yellowknife Association for Community Living respite service...

SOME HON. MEMBERS: Hear, hear!

MS. LEE: ...currently funded by the GNWT Department of Health and Social Services.

Mr. Speaker, the goal of the respite services is to provide safe individual lives and flexible respite support to

families, as well as offer children and adults with disabilities more opportunities for inclusion in community activities.

It is an essential support service that provides planned relief for parents, families and the people with disabilities that they care for. Such relief is necessary in order to decrease burnout, stress and family breakdown. It also helps families provide the best possible support and care to their loved ones with disabilities, and it ensures that people with disabilities experience a high quality of life.

Mr. Speaker, I have long been a supporter of this program and I was very happy to see it get started over a year ago. It has been in service since December 2003, and I understand that currently there are 15 families in Yellowknife who are able to access this, but there are about 11 families who are on a waiting list.

Mr. Speaker, I need to quote a letter from a constituent of mine, who said, "The respite services have greatly enriched the lives of my family members. It is difficult to imagine returning to life without this invaluable service. Our respite worker was matched with my family, based on our specific needs, goals and preferences. I feel confident leaving my loved one with our highly-trained and caring respite worker."

As a single parent of a special needs child, Mr. Speaker, he says that he couldn't really have a normal life without this kind of service. I would just like to join my constituent in thanking the Department of Health and Social Services and the Yellowknife Association for Community Living for providing this service. I would like to take this opportunity to urge the Minister to not only maintain the service, but to expand it so those on the waiting list could access it and that this program is made available in other communities as well. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Item 3, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

Member's Statement On Chief Johnny D. Charlie Memorial Snowmobile Trip

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, a group of some 32 people will be travelling to Fort McPherson by snowmobile tomorrow morning to take part in the 7th Annual Johnny D. Charlie Memorial Snowmobile Trip. This trip is made each year in memory of the late Chief Johnny D. Charlie of Fort McPherson.

Johnny D. Charlie made this trip frequently, first by dog team and later each year by snowmobile. After this death in 1998, his family decided to continue making the trip in memory of their father and to keep his dream alive, by way of teaching our younger people the traditional trails as well as keeping close communication ties with the family in Old Crow.

Mr. Speaker, I would like to wish all the people taking the trip all the best and be safe and enjoy God's country. At this time, I would like to thank the students and staff of the Natural Resources Program in Inuvik who are also taking part in this trip. To them, too, I wish them all the best.

Mr. Speaker, this trip takes the traveller over the traditional trails by way of Fort McPherson over the Yukon border, over the Richardson Mountains, down the Bell River and down the Porcupine River to Old Crow. This trip will take approximately five days and will be definitely one of the longest skidoo trips we've been on, from the experience I have had taking this trip a few times. Again, Mr. Speaker, I wish them all the best and enjoy their trip. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Krutko. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. I would like to welcome any visitors who are in the gallery today to observe our proceedings. It is always nice to have somebody watching our proceedings in the House. Welcome.

---Applause

MR. SPEAKER: Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

ITEM 6: ORAL QUESTIONS

Question 505-15(3): Appointment To The WCB Appeals Tribunal

MR. BRADEN: Mr. Speaker, my questions this afternoon are for Mr. Krutko, the Minister responsible for the Workers' Compensation Board and in his capacity as the Minister who ultimately makes appointments to boards. In my Member's statement, I outlined my understanding of the recent appointment to the Appeals Tribunal, which was a vacancy that should have been designated to a representative of workers and that the individual that was ultimately appointed was not an individual who was recognized by that sector. I would like the Minister to explain why he chose to ignore the advice of workers, as stipulated in the act. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Workers' Compensation Board, Mr. Krutko.

Return To Question 505-15(3): Appointment To The WCB Appeals Tribunal

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, there have been vacancies on the Appeals Tribunal, but we have been filling those vacancies by way of appointments. The Member sort of touches on one area, but there are also vacancies in the areas of employee representatives. There is a public interest representative. There is also the worker's representative, and also to ensure we have balance. We also realize that this board represents Nunavut and the Northwest Territories. In order to get that balance, you have to make decisions to ensure you have geographical makeup on this board. So, again, that is basically the appointments that have been out there. With those vacancies that are being filled, it is through an application-based program. In most cases, they are appointed in those categories; not only the worker's representative, like the Member has mentioned.

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

Supplementary To Question 505-15(3): Appointment To The WCB Appeals Tribunal

MR. BRADEN: Mr. Speaker, the Minister points out some valid areas there. The sharing of our board with Nunavut puts that extra stipulation on us, but I would come back to the act. Those are the rules that this House set and that workers and employers have agreed to. It says that the Minister shall appoint members on the recommendation of representatives of workers. The vacancy was for that spot. Why didn't the Minister follow the advice of workers and appoint a member that they felt they should see on their board? Thank you.

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

Further Return To Question 505-15(3): Appointment To The WCB Appeals Tribunal

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, the act is clear with regard to those appointments. Again, the final decision is with the Minister, based on the applications received. If someone does not accept the idea that someone is appointed, all positions have been filled on those vacancies that I mentioned including the worker's representative, which has been appointed. Again, to ensure the Member we have fairness and consistency, this board has to be made up of a reflection of the Northwest Territories and Nunavut. It can't be simply all the people appointed out of Yellowknife. That is one of the reasons that we are hearing these complaints. Again, we have to have representation geographically throughout Nunavut and the Northwest Territories.

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

Supplementary To Question 505-15(3): Appointment To The WCB Appeals Tribunal

MR. BRADEN: Mr. Speaker, is the Minister suggesting that we should rewrite the act to look after the geography instead of the interests of the prime stakeholders on this board, who are workers and employers? How are we going to maintain the trust and the integrity of those people in this board if we don't follow the rules that we have here?

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

Further Return To Question 505-15(3): Appointment To The WCB Appeals Tribunal

HON. DAVID KRUTKO: Mr. Speaker, we do have a vibrant economy. We have different segments of the economy. We have to realize the segments in the mining economy. We have employee representatives who represent people in the different segments. Again, those appointments are based on applications that I receive. I review the application to make sure they fit the criteria that is mentioned and make the appointment. That is the process that is out there. Again, I would just like to make it clear; the legislation is clear, the Minister makes the appointment.

MR. SPEAKER: Thank you, Mr. Krutko. Final supplementary, Mr. Braden.

Supplementary To Question 505-15(3): Appointment To The WCB Appeals Tribunal

MR. BRADEN: The Minister makes the appointment and there has to be accountability at that level, but I have to come back to the expectation of the prime stakeholders. They have been ignored. What is the Minister going to say to a worker who goes to file an appeal and that worker does not see someone who he has the faith and the trust in there that will represent his interests? What is the Minister going to say to that worker?

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

Further Return To Question 505-15(3): Appointment To The WCB Appeals Tribunal

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, that is exactly the reason that we have a board appointed; to have a balance so that we have people representing the different interest groups, but also ensuring that those people bring with their experience a fair appeals decision that you know, at the end of the day, those people will make good decisions and that we won't have decisions disputed. Again, those people who have been appointed, I have faith in them to allow their name to stand for appointment to this board. Thank you.

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

Question 506-15(3): Capital Health Authority Services

MR. MENICOCHÉ: Thank you, Mr. Speaker. My questions today are for the Minister of Health and Social Services. I am just curious, Mr. Speaker, about our arrangement with Alberta; I believe it is the Capital Health Authority. What type of reciprocal arrangement do we have? Thank you very much.

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

Return To Question 506-15(3): Capital Health Authority Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have a long-term contract with Capital Health Authority that is negotiated. It is for services that we don't provide in the Northwest Territories. It covers a range of services. Referrals are done from the regions and the authorities through Stanton and then to the South, if it's determined that the services provided there are necessary and can be provided in the Northwest Territories. Thank you.

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

Supplementary To Question 506-15(3): Capital Health Authority Services

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I'm bringing this up because of some of my constituents in Fort Liard. The arrangement we have is they actually travel by taxi to Fort Simpson then fly over to Yellowknife for treatment. Then if there are special needs, they are flown down to Edmonton. It makes sense to them if they could get their treatment or initial visits done in Fort

Nelson, which is in B.C. Mr. Speaker, my question is do we have such an arrangement with the Province of British Columbia?

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

Further Return To Question 506-15(3): Capital Health Authority Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, our main arrangement is with the Capital Health Authority in Edmonton. There may be occasion where there is use of B.C. services, but the key for us is that we have Stanton, which is staffed with a number of doctors and specialists and it's the primary facility for tertiary care in the Northwest Territories. Clearly it makes only good sense to us that we use our own northern services that we're paying for first, before we send people south. Thank you.

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

Supplementary To Question 506-15(3): Capital Health Authority Services

MR. MENICOCHÉ: Thank you, Mr. Speaker. I understand the Minister's comment about it making sense, but it also makes sense to go get your treatment or initial visit at a community that is a two-hour drive away, rather than going the round about way of taking a taxi, driving to Fort Simpson, then flying to Yellowknife. Actually what you're doing is just getting an initial visit to set up the real visit two months later. So can we not get this type of checkup or service done in, say, Fort Nelson, which is the closest community to Fort Liard that offers these services, Mr. Speaker? Thank you.

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

Further Return To Question 506-15(3): Capital Health Authority Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I appreciate the Member's concern and what I'll commit to do is I'll talk to the department and we'll get in touch with the Deh Cho Health Authority and I'll just make sure I'm very conversant on the detailed arrangements they do have. But I can tell you, we've had this concern raised in other jurisdictions that are close to northern Alberta. The key for us is if we're not going to invest in our northern resources, then it makes it even more expensive to run them. We've had circumstances in the past where there was considerable flying over to Stanton, to the point where we were paying for over 1,000 bed-nights in the Capital Health Authority when the service could have been provided at Stanton. So keeping those considerations in mind, I'll follow up on that issue. Thank you.

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

Supplementary To Question 506-15(3): Capital Health Authority Services

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I appreciate the Minister's commitment. I think that's all the residents of Fort Liard are looking for, is that if it's just

going to be a quick visit, why am I going to Yellowknife when I can just go to Fort Nelson and be back home the same day? If I can get the Minister's commitment to at least get his officials to look at that and see the sense of it all. Thank you.

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

Further Return To Question 506-15(3): Capital Health Authority Services

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. He has my commitment.

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

Question 507-15(3): Savings By Closure Of Hay River Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, today my questions are for the Minister of Justice and I would like to talk about the alleged \$400,000 net savings by the closure of the six-bed remand unit in the Hay River South Mackenzie Correctional Centre. Mr. Speaker, the Minister has indicated in communications that this savings will be realized in this budget year, in this fiscal year coming up, and yet the representations to MLAs and to others is that these savings will be realized by attrition; and also that the employees will be integrated into the general workforce. I'd like to ask him what exactly that means. Thank you.

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

Return To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. One thing, before I answer the Member's question; I'd like to point out that I have not said that 22 staff were caring for one or two kids at Dene K'onia. I've always agreed with the Member that there is a staff of 14 full-time employees plus some casuals.

The Member asked about the remand facility and how the savings would take place. At any given time at the South Mackenzie Correctional Centre, on pretty well every shift there will be some casual employees who will be brought in. What would happen after the remand unit is closed down is that the full-time staff would be worked into the full-time complement at South Mackenzie Correctional Centre and there would be fewer casual staff called in on an ongoing basis. So the reductions would start immediately, because the casual staff would not be called in. The full-time staff would cover off more of the operation of the facility.

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

Supplementary To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. So not calling in casual staff then constitutes the loss of positions through attrition. Thank you, Mr. Speaker.

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

Further Return To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

HON. CHARLES DENT: No, Mr. Speaker, I was answering as to how the savings would start immediately. The loss of positions through attrition is that, over time, the full-time complement at SMCC will be reduced to what it is right now, exclusive of the positions which are dedicated to remand.

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

Supplementary To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. So right now, today, at the South Mackenzie Correctional Centre, if there's a position vacant, will that position automatically not be filled in order to attain this loss of positions by attrition? Thank you, Mr. Speaker.

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

Further Return To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. That would be a likely situation, yes. Although I can't speak for a position that might be open today, that would be the way it would be handled in the future for positions that become vacant. They wouldn't necessarily become filled until the full-time staff complement was reduced by the five people that will be added into the full-time staff complement.

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

Supplementary To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, there are about 15 different types of workers at the South Mackenzie Correctional Centre. Is Mr. Dent suggesting that if any of those positions become open they may not be refilled to achieve this loss of jobs through attrition, or would that only be corrections officer positions? Thank you.

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

Further Return To Question 507-15(3): Savings By Closure Of Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. It would have to apply to positions that the people who were affected could fill. So it wouldn't apply necessarily to all positions, no. It would be positions that were specific to the training and capability of the people who were on staff. Thank you.

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

Question 508-15(3): Knowledge Of Issues At North Slave Correctional Centre

MR. RAMSAY: Thank you, Mr. Speaker. I'd like to ask the Minister of Justice a few questions today in regard to my Member's statement about ministerial responsibility. I'd like to ask the Minister the first question; that is, why didn't the Minister of Justice know what was going on at the North Slave Correctional Centre? He had the Regular Members asking him questions and he had numbers from his own department backing up the fact that there were substantial problems there, and I'm wondering why he didn't know what was going on at North Slave Correctional Centre. Thank you.

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

Return To Question 508-15(3): Knowledge Of Issues At North Slave Correctional Centre

HON. CHARLES DENT: Thank you, Mr. Speaker. Earlier today, in his Member's statement, the Member talked about ministerial responsibility and I can't quibble with anything he said in terms of what goes along with ministerial responsibility, and I accept that I am responsible for any issues that happen within the departments for which I am responsible. Mr. Speaker, the corrections human resources review and report clearly confirmed that there were human resource problems that went back some time. Some of the issues identified, in fact, go back well before I was appointed Minister for the department. When concerns started to be raised after my appointment, I felt at the time that it was reasonable to believe that the change in the function for the operations and that the impending move from one facility to another were part of the issues that were causing the problems. Knowing the results of the review; clearly, I am sorry that I didn't order a review to take place sooner.

Just to the Member's point in his statement as well, yesterday he asked if I would apologize, and I used the word "regrettable." I meant to use the word "regret" which does mean the same as an apology. So, yes, I am sorry that the problems developed to the level that they did. Clearly the report that was done has identified that there were issues. Clearly we should have moved on them more quickly and, Mr. Speaker, some of them go back to well before my time. But that said, since the report has come out, I have moved very quickly to address the issues that have been identified. We are going to address all of them all with the staff involved. Thank you, Mr. Speaker.

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

Supplementary To Question 508-15(3): Knowledge Of Issues At North Slave Correctional Centre

MR. RAMSAY: Thank you, Mr. Speaker. I would like to thank the Minister for his admission here today. One thing I didn't hear the Minister say was an apology to the employees at North Slave Correctional Centre. I know he's sorry for what took place, but it wasn't directed at the employees and that's the group of folks who are in need of an apology. So if I could ask the Minister for an apology to the employees of the North Slave Correctional Centre. Thank you.

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

Further Return To Question 508-15(3): Knowledge Of Issues At North Slave Correctional Centre

HON. CHARLES DENT: Thank you, Mr. Speaker. I think we're almost splitting hairs here. I said that I was sorry that the problems developed to the level they had. Clearly, I'm sorry for what was identified as problems in the human resources review and report. That talks explicitly to staff not only at the North Slave Correctional Centre, but at other centres as well. So I think I've already done as the Member has asked. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

MR. VILLENEUVE: Thank you, Mr. Speaker. My questions today are to the Minister of Finance with respect to the outstanding property taxes that are going to be coming around for another year now, Mr. Speaker. The letters of the notice of assessment to owners are going to be coming out this April to all these outstanding property tax owners. Of course, everybody's interests are going to be accumulating taxes. The outstanding amounts are going to go up by another \$50,000, I'm sure. I just wanted to ask the Minister of Finance if the department has taken any action or made any recommendations on how they're going to address this outstanding concern. Thank you.

MR. SPEAKER: Thank you, Mr. Villeneuve. The honourable Minister of Finance, Mr. Roland.

Return To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, in the area of the tax arrears in the community the Member is speaking about, we have, as the Department of Finance, tried to work with the community, worked with the Department of Municipal and Community Affairs and the Member to try to come up with a solution or a way of trying to deal with the issue. There were a number of meetings held to try and get an updated assessment of all the properties. Once we have that assessment, then we will be able to evaluate, in fact, if some properties were being over-taxed, so to speak, as well as if there may be some areas that are under-assessed in areas. But our goal initially is to go in, have an assessment done to ensure that the rates or amount of taxes being charged are accurate. From that work, then we can go and decide if there needs to be changes to what was being held in arrears. Unfortunately, those meetings didn't pan out. We had requested to go in and, in fact, there were a number of calls as late as September, an opportunity to go in and do some assessments. There was no agreement to the timing of that and we haven't moved on that initiative. We're hoping that we can still set up a time to go in and do some updated assessments in that community. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Supplementary, Mr. Villeneuve.

Supplementary To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

MR. VILLENEUVE: Thank you, Mr. Speaker. I commend the Minister for trying, I guess, to resolve the issue, because I think I heard "try" about five times in that response. I guess I wanted to ask the Minister, have there been any discussions with the Department of Municipal and Community Affairs about how this issue can be dealt with at the community level and with the effects that these communities are going to feel with the burden of these outstanding property tax issues breathing down their necks, the Department of Finance breathing down the community's neck when this new deal rolls out and the communities assume responsibility for their property taxation issues. I'm just wondering what discussions are going on between the Minister of Finance and the Minister of Municipal and Community Affairs and with the communities that are affected with these outstanding issues. Has there been any progress to date? Thank you.

MR. SPEAKER: Thank you, Mr. Villeneuve. Mr. Roland.

Further Return To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the first area we're working on is to ensure the transition from where we are today with our existing tax structure and to transition to the new community deal, is to ensure that process moves smoothly. For example, in the upcoming year of 2005-06 what will happen is the communities will get a grant of the taxes collected in that community. So the taxes that are collected, that community will get a grant for those. So if the taxes are not collected, then that would reduce the amount of grant they would receive. Following that, in 2006-07 the plan is with the same situation to issue a grant to that community, based on the taxes collected. As well, in that year of 2006-07, a community can request an increase to the mill rate and we will apply that increase. In 2007-08, the full transfer will happen where the municipality can set its own mill rate and start its collection process. The arrears portion is under review. We haven't come up with a solution yet. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Supplementary, Mr. Villeneuve.

Supplementary To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

MR. VILLENEUVE: Thank you, Mr. Speaker. So I guess the bottom line is these community governments are going to receive this tax revenue and they're going to be receiving a grant-in-lieu of these taxes that are supposedly collected and administered by the territorial government. But the territorial government hasn't collected any taxes yet and they're still having a hard time collecting anything out of these communities. Is the government just passing the buck on to the community level and saying, well, we can't collect the taxes so you might as well collect the taxes? We still have the issue of the outstanding taxes, not to mention the taxes for the upcoming years of 2005, 2006, 2007, and 2008 when this new deal rolls out. How is a community's financial status going to be able to stand if they are just handed a \$160,000 outstanding bill from the government saying you have to collect taxes for the next 20 years and it all comes back to the government, or they just don't get any grants?

What is the government going to do to ensure that the communities are going to get a fair deal and a new deal with reference to their outstanding arrears? How is the Department of Finance going to address that?

---Applause

MR. SPEAKER: Thank you, Mr. Villeneuve. Mr. Roland.

Further Return To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, let's make sure that the understanding from people out there is correct. There are taxes being collected. Not all of the properties are in arrears. There are 315 assessed properties in that community; 92 of them are private; about 41 are in arrears. So there are people paying taxes, businesses paying taxes, and those monies collected will go to the community. On the arrears side, we still have to work with Municipal and Community Affairs and the government overall to see how we would deal with that situation. On an ongoing basis, as the act sits now, we are, on an annual basis, sending out the tax notice of what's being owed and the arrears. That is in legislation; we do that every year and it causes some grief at this time of year. But we've tried to open the door to finding some solutions and we can't find it on our own; the community is going to have to work with us on this. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Final supplementary, Mr. Villeneuve.

Supplementary To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

MR. VILLENEUVE: Thank you, Mr. Speaker. The Minister is not short in saying that it does cause a lot of grief in communities. I just want to get the Minister to maybe put some constituents' minds at ease. I know over the last few years they have mentioned to myself and told me to tell my constituents that the letter that they get from FMBS, or the Department of Finance, which basically states that your property may be offered for sale at a public auction, pursuant to the PATA, should you not remit your outstanding property taxes. In the past I've had recommendations saying to just tell my constituents to disregard the letter; it's just part of the Property Assessment Taxation Act, the Finance Act, that we have to send out this letter. But a lot of people don't...

MR. SPEAKER: Do you have a question, Mr. Villeneuve? Do you have a question?

MR. VILLENEUVE: My question is, can the Minister tell all the people that are going to be receiving this notice that it is okay to put it aside or just put it in the garbage, because obviously...

MR. SPEAKER: Thank you, Mr. Villeneuve. I'll allow the Minister to answer that question. Mr. Roland.

Further Return To Question 509-15(3): Outstanding Tax Arrears In Fort Resolution

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I guess if I were to say that, then all over the North people would be throwing their tax filing notice into the garbage bin. I cannot say that. The notice goes out, it lists the value of the taxes that are attached to that property, and

the arrears. At some point we're going to have to move on this. We're going to have to act. The government has been trying to work with them in the situation of those arrears. At one point we had sat back, because there was a court case that was going forward that may have affected the government's ability to collect on tax arrears with First Nations. That has now concluded. In fact, it has been proven, as a government, that we have the authority to collect those taxes. Now we have to work with the community and ensure that we come up with some arrangement that is workable. So our door is open to work out that arrangement. The arrears have to go out on an annual basis. We don't have a plan to go in there and clear out a bunch of people and sell those properties, but we have to work with them. At some point somebody is going to have to act on that. In tax-based municipalities in this day, if somebody is in arrears, it's that community council that acts on that, not the GNWT. So at some point we're going to have to clear that up and hopefully we can work an arrangement out with the community. Thank you.

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

Question 510-15(3): Healthy Eating In Our Schools

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, today I'd like to ask questions in regard to healthy eating, because I truly think healthy eating is everyone's business in this Assembly. Mr. Speaker, more specifically, I am bringing the attention to this cause regarding the kids and their healthy eating. My questions will be directed to the Minister of Health and Social Services about what are we truly doing about getting healthy eating into our schools. Mr. Speaker, I could speak about endless statistics, but simply I'll start off by saying what is the Minister of Health and Social Services doing to help promote healthy eating in our schools and to our families? Thank you, Mr. Speaker.

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

Return To Question 510-15(3): Healthy Eating In Our Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, first I'd like to give credit to a region that has taken the initiative. I understand in Inuvik the mayor has been bugging me to match what was done by the DEA, where I understand that they've set up a policy where they don't have pop and chips and junk food in the schools anymore.

---Applause

I think they're to be commended for that. As well, I have, in fact, written to the Minister of Education, Culture and Employment about how we can move ahead to further that kind of initiative. I've also indicated to the Department of Health and Social Services that I would like to come out in the very near future with a directive that in all the facilities that Health and Social Services operates and funds, that we have the same kind of approach in terms of healthy eating. Thank you.

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

Supplementary To Question 510-15(3): Healthy Eating In Our Schools

MR. HAWKINS: Thank you, Mr. Speaker. I appreciate the Minister jumping to my third question so quickly, which was what are we doing about this? Mr. Speaker, I appreciate the Minister is obviously on cue with the fact that obviously we know the kids don't do well if they're not fed. We know they miss a lot of school if they're not fed well and healthy living is very important. One last thing I want to acknowledge before my question is, in the city of Yellowknife, the Rotary Club, a service organization, helps provide breakfast to a group of kids at Mildred Hall. So we have community groups stepping up to the cause of making sure our kids eat healthy. All of that being said, can the Minister tell me if he's willing to come forward with some type of policy to at least investigate the pros and cons about taking on a mandate that we eliminate junk food from our schools? Thank you, Mr. Speaker.

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

Further Return To Question 510-15(3): Healthy Eating In Our Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. As I've indicated, I've been in written communication with the Minister of Education, Culture and Employment and clearly today with the kickoff of the "Get Active" campaign that's going to be part of what we're talking about, leading by example, making sure that in fact we do as the Member suggests to a greater degree, which is making sure there are healthy choices for the youth to make, not to mention the adults. So, yes, Mr. Speaker, I intend to follow up with the Minister of Education, Culture and Employment further. Thank you.

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

Supplementary To Question 510-15(3): Healthy Eating In Our Schools

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, Ontario was proceeding down this road and investigating this quite seriously about eliminating junk food from our schools. Mr. Speaker, could we maybe get some timelines and time frames on the seriousness of this issue that this Minister has agreed to sort of follow down that road of questioning and ideas of eliminating junk food from our schools? Thank you, Mr. Speaker.

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

Further Return To Question 510-15(3): Healthy Eating In Our Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as Inuvik demonstrated, if there's a will at the local level, the authority is there to make those decisions. They're to be commended for taking that proactive approach. As a government, we want to give the signal as well that we are encouraging and promoting that kind of approach. So there's nothing to stop the DEAs, as far as I'm aware, or the health authorities for that matter, to move on this. I just want to make sure on the health side that I give the ministerial encouragement that they need to deal with this issue. As I indicated, I'll be talking

further with the Minister of Education, Culture and Employment. Thank you.

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

Supplementary To Question 510-15(3): Healthy Eating In Our Schools

MR. HAWKINS: Thank you, Mr. Speaker. Would the Minister commit today to provide all district education authorities the resources needed to investigate this problem so they have the knowledge in order to proceed with this idea, understanding the full pros and cons of this process? Would he commit to supplying the resources to investigate this at the district education level? Thank you.

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

Further Return To Question 510-15(3): Healthy Eating In Our Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. In my opinion on this subject, there's not much need for further study or investigation. I think the evidence and information are clear. The question is the political will to act; to act at this level, to act at the community level, for the DEAs and the health authorities that are spending public money and dealing with children and people in their facilities to make the choice, the same as we do not sell cigarettes in those facilities, we don't sell alcohol in those facilities. We know that some of these foods that are sold, the pop with the 10 spoons of sugar and the chips that are high fat are not good. So, Mr. Speaker, I think we have all the information we need to make the decision. It's just time to start acting. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Before I go on, I'd just like to recognize in the gallery Ursula Harvey and her sister from Australia who is here visiting in Yellowknife. Welcome to the North and to the Legislative Assembly.

---Applause

Item 6, oral questions. The honourable Member for Range Lake, Ms. Lee.

Question 511-15(3): Plans For Yellowknife Respite Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, further to my statement earlier today about the importance of the respite program in the city of Yellowknife; as I stated, there are many families that are benefiting greatly from having this service available, but it is also true that there is need for more. I'd like to ask the Minister, given that this program is quite young -- it's a little over a year old -- I'd like to know what the Minister has planned for this program and whether there are plans to expand that. Thank you.

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

Return To Question 511-15(3): Plans For Yellowknife Respite Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, this was an initial one-year pilot

that was extended for another year. It clearly recognizes that medical respite, which was the only option in place prior to this pilot, was an important service, but it doesn't cover the very critical need for social respite for those families that are dealing with their own loved ones and family members that may require that kind of service so that the families can get a break. It's part of the concern and efforts we want to make to help families keep individuals in their homes as long as possible. So this has been extended. We're doing a review as we speak, but clearly the issue of social respite is one that is going to be fundamental for the work that we do in the future in trying to allow families to keep their loved ones at home and provide the support necessary to do that, as opposed to having to use facilities. Thank you.

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

Supplementary To Question 511-15(3): Plans For Yellowknife Respite Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I believe the Minister agrees that it goes without saying that this is a very sensible, compassionate program, that goes a long way and it's quite cost economical, as well, Mr. Speaker. I am glad to hear that this has been extended for another year. I would like to know if the Minister could advise as to whether he's planning on spreading this pilot program to any other communities in the North. Thank you, Mr. Speaker.

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

Further Return To Question 511-15(3): Plans For Yellowknife Respite Program

HON. MICHAEL MILTENBERGER: Mr. Speaker, that, as well, goes without saying, that this is a service that benefits all communities where families are dealing with loved ones that may require some kind of respite care so their families, as well, can get a break. So clearly we'd like to make sure that it's not just a Yellowknife issue to be certain, and we have to look at a better inventory, and, of course, the cost of this, when it's compared to the cost of respite care compared to the cost of facilities. It is cost effective, as the Member indicated. The issue is to be able to roll it out in a timely and affordable way. Thank you.

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

Supplementary To Question 511-15(3): Plans For Yellowknife Respite Program

MS. LEE: Thank you, Mr. Speaker. I'm aware that, wherever possible, the Minister looks to provide programs everywhere in the territory. So I'm sure he's doing this too, but my question is there have been lots of announcements for federal funding in various areas. Has the Minister looked into whether any of the program money available from the federal government might apply to maintaining or expanding this program? Are there any connections with the federal government that we could tap into? Thank you.

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

Further Return To Question 511-15(3): Plans For Yellowknife Respite Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have a fairly long list of areas, as I've indicated in this House during the review of the budget, that we've targeted for the funding that we're getting through the northern health transfer piece. The part that is not clear yet or final is the CHT transfer, the Canadian health transfer dollars that are currently in the budget before Parliament in Ottawa. So, yes, we're going to look at the opportunities we have to maximize the use of the federal dollars, which will deal with long-term care and the waiting times and support to people in their homes. Thank you.

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

Supplementary To Question 511-15(3): Plans For Yellowknife Respite Program

MS. LEE: Thank you, Mr. Speaker. I appreciate the Minister didn't list out all the items, because I think we're aware of the multiple nature of that area. Could I ask the Minister if he could commit to keeping this action item on the agenda and look for room, once the funding mechanisms are set out and it's made clear and if there is any opportunity for him to put this up there as a program that we can expand not only in Yellowknife, but for the rest of the communities? Thank you.

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

Further Return To Question 511-15(3): Plans For Yellowknife Respite Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, this area is important. It's why we made the move from medical respite to social respite and, yes, it is on the agenda and I intend to keep it there. We want to look at the final results of the evaluation and look at how we can possibly expand this. Thank you.

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

Question 512-15(3): Issues With Air Carrier Service In Fort Simpson

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. My question is for the Minister of Transportation. Recently I was traveling back to my riding in my home community and there's a young woman in Fort Simpson who has had some problems getting her child back. The airlines wanted to charge her full fare for bringing her children back to Yellowknife. Can the Minister direct me as to where I can get this addressed? Thank you.

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

Return To Question 512-15(3): Issues With Air Carrier Service In Fort Simpson

HON. MICHAEL MCLEOD: Mr. Speaker, I would assume the Member should go talk to the airline carrier that is serving this community where the issue arose. Thank you, Mr. Speaker.

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

Supplementary To Question 512-15(3): Issues With Air Carrier Service In Fort Simpson

MR. MENICOCHÉ: Thank you very much. The other part of this concern is that I would like to talk to somebody who cares.

---Laughter

---Applause

Will the Minister help me address this concern with the applicable airlines that are flying in my region? Thank you.

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

Further Return To Question 512-15(3): Issues With Air Carrier Service In Fort Simpson

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. We would gladly arrange a meeting with the airline that the Member is referring to. Providing we get that information, we could arrange that and have the Member have that discussion. Thank you, Mr. Speaker.

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

Question 513-15(3): Independent Review Of The Department Of Justice

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Premier. Mr. Speaker, it would seem that there have been some decisions made and some rearranging done in the Justice department over the last while. It has not netted the best results in the interests of even the taxpayers or the people who are served by the system, and I would like to ask the Premier if the government is very convinced that these latest anticipated changes are well based and are sound decisions, if that could not be borne out by an independent look at some of these anticipated changes, taking into account the numbers and answering all the questions in a way that everyone can understand. Would the Premier support an independent review of the proposed cuts in Justice? Thank you.

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

Return To Question 513-15(3): Independent Review Of The Department Of Justice

HON. JOE HANDLEY: Mr. Speaker, I'm told that the Minister of Justice has asked the Minister responsible for the Audit Bureau to have the Audit Bureau take a look at the methodology to make sure that the way they've arrived at their number is a fair way of doing it and I understand that that is being done. Thank you, Mr. Speaker.

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

Supplementary To Question 513-15(3): Independent Review Of The Department Of Justice

MRS. GROENEWEGEN: Thank you, Mr. Speaker. That sounds like a very internal kind of exercise and I would like to know how stakeholders and interested parties could participate in that so that they could have the confidence that the outcome is fair and balanced. Thank you, Mr. Speaker.

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

Further Return To Question 513-15(3): Independent Review Of The Department Of Justice

HON. JOE HANDLEY: Mr. Speaker, I think the first step has to be to have our Audit Bureau have a look at it. The Audit Bureau maintains a professional standard in terms of what they do and is certainly not part of any government department that they would be taking a look at. So I think we have to trust that our Audit Bureau is going to be fair. They're professional people, they're going to come up with an assessment that says whether or not the methodology that Justice used is accurate. I think that can be done fairly quickly and when that's done, then we can determine how we move ahead with this. Thank you, Mr. Speaker.

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

Supplementary To Question 513-15(3): Independent Review Of The Department Of Justice

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, this will be a discussion between people who work in Justice and other people who work in the Audit Bureau and it will be very internal, between departments. I am not satisfied that all the information that needs to be brought to bear in this evaluation could be attained by that. I'm not questioning the credibility of the Audit Bureau, I'm questioning the independence and the scope of the questions that would be posed and answered. I would like to know how we could get that independence through outside participation. Thank you, Mr. Speaker.

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

Further Return To Question 513-15(3): Independent Review Of The Department Of Justice

HON. JOE HANDLEY: Mr. Speaker, the Audit Bureau is a unit that is made up of people who are professional auditors. They are going to look at the methodology. They're not going to go out and do a review and look for input from everywhere, Mr. Speaker. They are looking at the methodology that was used by Justice in arriving at this. So this is not a review of all the information that people might have out in the public or by others to add to this. It's a look at the methodology that Justice is using. Thank you, Mr. Speaker.

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

Supplementary To Question 513-15(3): Independent Review Of The Department Of Justice

MRS. GROENEWGEN: Thank you, Mr. Speaker. Mr. Speaker, why didn't the Minister of Justice disclose this action and his plan when I questioned him about this in the House last Friday? I haven't been informed of this. Obviously I would say I would be a key person with a keen interest in such a thing as an Audit Bureau review. Can I participate? Can I speak to the auditors? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. A couple of questions there, but, Mr. Premier, I'll let you answer them. Mr. Handley.

Further Return To Question 513-15(3): Independent Review Of The Department Of Justice

HON. JOE HANDLEY: Mr. Speaker, this issue came up following question period on Friday. After question period, the Minister of Justice talked with the Minister of Finance, who is responsible for the Audit Bureau, and made this arrangement. So that's why he wasn't able to answer. So it was a follow-up to the questions that were asked that day. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Item 6, oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Question 514-15(3): Taxation Assessment Process For Communities

MR. VILLENEUVE: Mahsi, Mr. Speaker. My question is to the Minister of Municipal and Community Affairs with respect to the new deal. Mr. Speaker, in the new deal there's a big emphasis on a lot of the benefits or the taxation revenue for the smaller communities. My question to the Minister is in respect to the communities that have been improperly assessed by the assessment department versus communities that have been properly assessed with their physical inspections being done according to the PATA act. How is this fair and balanced funding arrangement between the GNWT and the communities amongst themselves going to be reached when we have that imbalance in the base of the funding mechanism to begin with? How is he going to balance that out? Thank you.

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

Return To Question 514-15(3): Taxation Assessment Process For Communities

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. The new deal for community governments plan put together by our department, Municipal and Community Affairs, has a component that we'll return some of the funding, or the amount collected through property taxes in each community, to the community for the communities to use towards capital projects or other projects in the community. If the community is not collecting or is not able to collect those taxes, then only the amount that is collected for that year will be transferred over in the form of a grant. If there is a problem in recovering or collecting the taxes, we, as a department, have committed that we will continue to work with the communities to ensure that a

solution is worked out. There are some communities that have had problems for some time, and the community that the Member represents, Fort Resolution, is one of them. We've offered to go in to do a new assessment, because, at our meetings with the community, there were a lot of issues that came forward, including that they didn't understand the whole property taxation assessment. There was also a concern that it was not being assessed properly. There was also the concern that the aboriginal government should not be in a position to have its members taxed through property taxation.

So there are a number of issues there that we are continually having to look at. We wanted to go in this year to do an assessment. The chief has indicated to us that he's not willing to allow us to come into the community to do an assessment. We also, at a public community meeting, offered to work with the Deninu K'ue First Nations to look at options, and up to now we have not had any feedback on that. Thank you, Mr. Speaker.

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

Supplementary To Question 514-15(3): Taxation Assessment Process For Communities

MR. VILLENEUVE: Thank you, Mr. Speaker. I know the problem with the government getting into the communities has been a land claims related issue. Can I get the Minister to at least make some recommendations to his department that in order for this to balance out some funding arrangements better for the communities that have improper assessments in relation to the ones that have correct ones? Just in regard to all government-owned buildings, because in the Property Assessment and Taxation Act it's the law, the law of the act, and we have to go into these communities and do the actual physical inspections. Can the Minister direct his department to send in assessors and accurately do assessments on all government-owned buildings in these communities, so at least the communities are balanced out with their grants at least with respect to government property? Thank you, Mr. Speaker.

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

Further Return To Question 514-15(3): Taxation Assessment Process For Communities

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, of course we can send our assessors in to do an assessment in the community. We've been trying to for several years now. The leadership of the community has indicated to us that they are very reluctant to have that done. We continue to push forward and we'd like to do that this summer. If we can work with the Member and sit down with leadership to look at some solutions or some methodology of resolving some of these issues, we'd gladly do that. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Third supplementary, Mr. Villeneuve.

Supplementary To Question 514-15(3): Taxation Assessment Process For Communities

MR. VILLENEUVE: Thank you, Mr. Speaker. I don't think the Minister really answered my question about going into the communities. I know that any government

official that has any taxation sign on their portfolio is not going to be welcome anywhere. But I just want to ask the Minister why can't the department go in and assess government-owned properties, just so that will even out things a little more? I'm not saying that he's got to do the whole town, but maybe while they are there...

MR. SPEAKER: Thank you, Mr. Villeneuve. I'll allow the Minister to answer that question. Mr. McLeod.

Further Return To Question 514-15(3): Taxation Assessment Process For Communities

HON. MICHAEL MCLEOD: Mr. Speaker, as I indicated, the leadership of that community has requested that we not go into the community to do property assessment, and we're respecting that, until we have some discussion to try to resolve the issue. We would gladly go in there, we want to go in there and that's something we've been attempting to do for a long time. There are a lot of issues on this subject and we want to have further discussions. We've had some verbal communication with the chief. He has indicated a desire to sit down and talk about this issue and we'll commit to do that. Thank you.

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

Supplementary To Question 514-15(3): Taxation Assessment Process For Communities

MR. VILLENEUVE: Thank you, Mr. Speaker. Again, I know that the community leadership doesn't want the government going there and looking at all private homeowners with respect to their land claim negotiation process and whatnot. I'm just talking about government property. The government doesn't need permission from any leadership to go in and look at their own property, to do maintenance work on their property. They don't look for community leadership direction to do anything with any government property, as a matter of fact. So I don't think the issue here is so much allowing an assessor to go in and do an inspection of the whole community. I think that's what the communities are against, but I just don't know why Municipal and Community Affairs...I know the last meeting we did have was about a year ago in the community, and since then it's been really kind of dead in the water. Nothing has been happening. The communities said they didn't want them there and the government sort of puts it by the wayside and...

MR. SPEAKER: Do you have a question, Mr. Villeneuve?

MR. VILLENEUVE: I just want to say, well, okay, if we can't go in there and the community says just no go, when can we set up some kind of a meeting where we could say, well, maybe we will go in there and inspect government-owned property?

MR. SPEAKER: Thank you, Mr. Villeneuve. I heard a question there. Mr. McLeod.

Further Return To Question 514-15(3): Taxation Assessment Process For Communities

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, we are doing assessments. We're just not able to do the physical inspections of the properties. We have had some discussions with the chief. He wants to meet. We will talk to the leadership and we'll set up a meeting

and we'll have the Member notified so he can attend and we will put that on the table that if there is still a desire for us to look at options for the private properties or the members of the Deninu K'ue First Nations and the Metis as a separate issue and the government property as a separate issue, we will look at that also. Thank you, Mr. Speaker.

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

Question 515-15(3): Legislation For Healthy Eating In Schools

MR. HAWKINS: Thank you, Mr. Speaker. I'd like to continue questioning the Minister of Health and Social Services in regard to healthy eating at schools. Mr. Speaker, I did leave out one area, which is commitment upon this Minister about what is he doing to address this problem. Is this Minister willing to bring forward legislation that addresses the problem I spoke of earlier with regard to junk food in our schools? Thank you, Mr. Speaker.

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

Return To Question 515-15(3): Legislation For Healthy Eating In Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I indicated to the Member that there is work being done and I don't believe that this is an issue requiring legislation. It's a policy issue, it's an education issue, it's a political will issue. So we're moving on those areas to see if we can capitalize and get other areas to follow on the lead that Inuvik has taken. I've indicated, as well, that I intend to move, as Minister, to provide direction to the facilities and authorities that are under Health and Social Services to take a similar approach. Thank you.

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

Supplementary To Question 515-15(3): Legislation For Healthy Eating In Schools

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, the Minister spoke about political will and it's a policy issue and I can appreciate that, but the problem with policies, as we all know, we have trouble instituting our own affirmative action policies without problems out there or complaints in inconsistencies. So when it comes to this policy, it has never been implemented across the board evenly and that's the problem with this. So, Mr. Speaker, will this Minister show political will and political leadership by leading forward with legislation that addresses the junk food in our schools? Thank you, Mr. Speaker.

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

Further Return To Question 515-15(3): Legislation For Healthy Eating In Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I will be working with the Minister of Education, Culture and Employment on this issue. I would just like to point out that Health and Social

Services, like every government department, has a host of initiatives that we are working on aggressively and with great vigour. This is one of them as it pertains to the health of our citizens. It is very important, and we will continue to show the leadership and the support that we have to improve in those areas. Thank you.

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

Supplementary To Question 515-15(3): Legislation For Healthy Eating In Schools

MR. HAWKINS: Thank you, Mr. Speaker. I am really glad to hear there is great vigour out there working away at this problem, but, Mr. Speaker, the Minister clearly said that all the information is out there. When I had asked him, would you provide the resources to the DEAs and whatnot, to get this information and make the pros and cons to the decision, the information is out there. So if we had the information, and it is good information in places like Ontario, they are stepping forward on this type of issue to institute this type of legislation. What is stopping this Minister from making that commitment that we are going to go down that road and seriously look at it? Thank you, Mr. Speaker.

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

Further Return To Question 515-15(3): Legislation For Healthy Eating In Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we are going to move ahead as aggressively as we can on the issue of healthy eating and getting individuals, including young people, to make the right choices. In order for them to make the right choices, we have to give them healthy choices to make, which gets us back to getting the good food and good products in the schools and in the health centres for them to choose from. Thank you.

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

Supplementary To Question 515-15(3): Legislation For Healthy Eating In Schools

MR. HAWKINS: Thank you, Mr. Speaker. I am a little confused on what we are going to get for a commitment. I have got the commitment that we are working on the problem, and I want to say that I acknowledge that. But, Mr. Speaker, I have heard an endless amount of times from this Minister that we have the highest level of diabetes. We have other problems such as obesity and lack of active living. So, Mr. Speaker, what is this Minister going to do to deal with this problem, from a legislative point of view? Thank you, Mr. Speaker.

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

Further Return To Question 515-15(3): Legislation For Healthy Eating In Schools

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. My understanding is that there is, in fact, no provincial or territorial legislation that legislates food choices in schools or anywhere else. Mr. Speaker, this is clearly an issue, as I have indicated, a policy of education

of convincing people to make the right choices, of giving them access to the right foods to make the choice of. Thank you.

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

Question 516-15(3): Plans For Recent Northern Medical Graduates

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, in this job I like to think I know a lot about government programs, but you never know everything. This morning I learned on the radio that, to my delight, Aurora College is graduating four radiology technicians with the help of a program at McMaster University.

---Applause

These four graduates come from Deline, Fort McPherson, and I think another small community.

---Applause

I have been thinking, though; I wasn't aware of this program. I want to make sure that we have jobs lined up for these four graduates who are excited to be graduating. I would like to ask the Minister more information about this program and what he has planned to have these good people employed in the North. Thank you.

MR. SPEAKER: Thank you, Ms. Lee. I am not sure what Minister you are directing your questions to -- Health and Social Services or Education, Culture and Employment -- so I will get you to clarify that for me. Ms. Lee.

MS. LEE: Thank you, Mr. Speaker. My questions were directed to the Minister of Health and Social Services.

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

Return To Question 516-15(3): Plans For Recent Northern Medical Graduates

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, it is our intention to try to offer employment first of all to all the graduates we can in all the areas of need. That clearly is probably one of them. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Time for oral questions has expired; however, I will allow you your supplementary, Ms. Lee.

Supplementary To Question 516-15(3): Plans For Recent Northern Medical Graduates

MS. LEE: Thank you, Mr. Speaker. I am aware, from talking to people who work at the hospital, that there is always need for more imaging technicians and people who are trained in diagnostic imaging, but I am not aware that there are these facilities available in Deline or Fort McPherson, so I am assuming that these people would have to be employed in Yellowknife. Does the Minister know anything differently? Maybe they have it. I stand to be corrected. Would they then be hired in these communities? Thank you.

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

Further Return To Question 516-15(3): Plans For Recent Northern Medical Graduates

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, there are facilities, of course, in Yellowknife, Inuvik, Hay River, Fort Smith, and Fort Simpson. The Member is right; this is one of the areas of the allied health professions where there is a shortage, and having northern trained graduates is going to be a real boon to all of us. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Miltenberger. Time for oral questions has expired. Item 7, written questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

ITEM 7: WRITTEN QUESTIONS

Written Question 77-15(3): Return Of Federal Funding

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, my written question is for the Chair of the Financial Management Board.

Would the chair of the Financial Management Board please provide the House the dollar figures of any federal funding or other forms of funding that had been returned to the federal government or other contributors over the past five years? The existence of any returned funds is what is under the criteria of the request.

Specific to return money only:

1. Why did the GNWT originally receive this funding, what was the original amount and specific intent of the proposal?
2. Why were the funds not used by the GNWT and then returned?
3. When were these funds received and then returned?
4. Were outside agencies ever considered or engaged specifically to fulfill any proposal that we received funding for? If this is so, please provide details to specific cases that apply to the reasons these projects were not fulfilled.
5. In individual cases of returned funds, that did not engage outside agencies, why were they not considered in order to fulfill the intent of the proposal?

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees and the review of bills. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motion for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in Committee of the Whole of bills and other matters: Bill 17, Modernization of Benefits and Obligations Act; Bill 19, Appropriation Act, 2005-2006; Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005; 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; Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election; Minister's Statement 86-15(3), Northern Strategy; Minister's Statement 88-15(3), Update on Oil and Gas Development in the NWT; Minister's Statement 89-15(3), Community Leaders' Conference Report: Preparing for the Pipeline; Minister's Statement 90-15(3), Social Impacts of the Mackenzie Gas Project; Minister's Statement 91-15(3), Preparing for the Mackenzie Gas Project; and, Tabled Document 108-15(3), Nation Building: Framework for a Northern Strategy. By the power of 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 19: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRPERSON (Mrs. Groenewegen): I call Committee of the Whole to order. What is the wish of the committee? Mr. Menicoche.

MR. MENICOCHÉ: Madam Chair, the committee wishes to consider Appropriation Act, 2005-2006, specifically with continuation of Municipal and Community Affairs.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Does the committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Okay. We will continue with Municipal and Community Affairs after a break.

---SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen): I call Committee of the Whole back to order. We are on the Department of Municipal and Community Affairs. I have asked the committee if they would agree that the Minister be invited to bring witnesses into the Chamber. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Mr. McLeod, if you would like to bring in witnesses, I will ask the Sergeant-at-Arms to escort witnesses to the table.

Mr. Minister, please introduce your witnesses, for the record.

HON. MICHAEL MCLEOD: Madam Chair, with me I have Debbie DeLancey, deputy minister of Municipal and Community Affairs; and Sheila Bassi-Kellett, director of corporate affairs.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Minister. At this time, I will ask committee members if they have any general comments on the Department of Municipal and Community Affairs. Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I have a few opening comments for the Minister of Municipal and Community Affairs. I listened with great interest to the Minister's opening comments yesterday when he talked about the Arctic Winter Games. During our committee meetings, there was reference to this and in the committee report as well. The funding didn't show up in the budget and it was going to be brought in over a three-year period after the area that's chosen to host the games is chosen by the international committee. That announcement on which community will host the Arctic Winter Games in 2008 is one I'm watching with interest. It's either going to be the South Slave or Yellowknife. In an effort to get some transparency here and know what we are dealing with, it doesn't matter which community hosts, whether it's the South Slave or Yellowknife. What has to be done is MACA has to identify funding, a finite dollar amount, and go forward from there regardless of which community might win the bid by the international committee. That hasn't been done. According to the Minister's opening comments from yesterday, the Department of Municipal and Community Affairs won't announce the funding until after such a time as the community is chosen to host the games. I find that to be rather odd. I think they should be forthcoming in the amount of funding. To me, it doesn't matter which community hosts the games. The funding shouldn't be determined on which community hosts the games. I would like to ask the Minister about that first. Thank you, Madam Chair.

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

HON. MICHAEL MCLEOD: Thank you, Madam Chair. The process we are following is the process that was used historically. FMB has indicated this was the route we should be using. We, at this point, do not have any indication what the communities are going to come forward for. The successful community would come forward with a submission and we don't know what that amount will be. In that event, we did have some discussions. FMB indicated that we should wait to see what the requests will be.

We have since had further discussions and we'll be talking to FMB to see whether it would make better sense to seek an immediate set amount for communities regardless of who is the successful bidder on the 2008 games. So we are going to have further discussions. At this point, we are following FMB's process to wait until the community makes a formal submission.

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

MR. RAMSAY: Thank you, Madam Chair. I can appreciate what the Minister has to say. The point that I am trying to make is as a government, we are going to make the decision to fund the Arctic Winter Games for a period of three years leading up to the games. Strictly from a budgeting perspective, Madam Chair, that should be clearly laid out and I don't think it should be dependent on which community hosts the games. That way communities know the level of funding they are going to be able to get and the department can budget for it. Right now, neither is there. To wait until a decision is made, it just seems like a backwards way of doing it. I would rather see it done in an open, transparent and accountable way

and not done this way. Maybe the Minister would like to comment on that. Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Madam Chairperson. We certainly can and we have discussed the merits of going forward with a set amount, regardless of which community is selected to host the Arctic Winter Games. There is concern, of course, that there could be a shortfall or it could be a lot more than what the community is requiring.

We would have to, in any event, provide detail to FMBS to the cost before any approval is made. We took their advice and we haven't included it in this budget as we will come forward for a supplementary once the request is made. We will have that discussion again with FMBS to see if we can work out some costing, some forecasting and maybe that might be a better methodology. We are not sure at this point, but it is difficult to predict or calculate what the communities are going to require. There are two communities that have put forward submissions for hosting the games, but we don't know what their needs are at this point.

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

MR. RAMSAY: Thank you, Madam Chairperson. That is good; I thank the Minister for his response. The other thing that I just wanted to touch base on is the MRIF funding and the breakdown between tax-based and non-tax-based communities, and the fact that it is 55 percent to 45 percent in favour of the non-tax-based communities.

I know the Minister is well aware of my concern over the formula that was used and why we arrived at the breakdown that is evident here. I mentioned to him on previous occasions that 75 percent of the residents in the Northwest Territories live in tax-based municipalities and the greatest impact and the greatest ability to leverage what little funds there are, is available in the tax-based municipalities.

Not to downplay the need in the smaller communities. I know it is evident, but when you have this kind of money that you can leverage, I think it is important to try to get the most out of the money that you possibly can. I don't think, with the breakdown at 55/45, we are going to get the maximum bang for that dollar. I am not convinced of that.

The other thing I just wanted to mention too, was the fact that there is some additional funding, with the fuel tax monies that are going to be coming to the Northwest Territories. There is some criteria for a committee that is obviously going to be formed with the Northwest Territories Association of Communities and the Minister, for trying to work out how best to divvy up the funds that are coming to the Northwest Territories. I think one of the key things -- and it was the same with this MRIF funding -- was the impact on the population demand. Where the demand is, Madam Chairperson, I believe, is in the tax-based municipalities for some of this money. Like I said, it can be leveraged more than it can be in a non-tax-based community. As long as we are paying attention to that, that is all I had to say on that. Thank you, Madam Chairperson.

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

HON. MICHAEL MCLEOD: Madam Chairperson, this issue on the division of the MRIF is something on which I guess we could have had a lot more discussion with the NWT Association of Communities, however, the timing was really difficult. It was over the Christmas holidays and we had not anticipated that we would be signing the MRIF agreement so quickly in the new year.

When the Minister indicated who was coming north, we had some discussions with his department and it was clear that we had enough time, if we fast-tracked everything, to have an agreement put in place. We based our allocations between the tax-based and the non-tax-based communities on a document, an assessment that we had done, measuring and looking at the infrastructure deficit across the North. In that document, it indicated that there was a deficit situation in both classes of communities. It was a higher deficit situation in the non-tax-based communities.

Therefore, we used that to base our decision on how to divide the formula. There is still a considerable amount of discussion that has to take place. There is a working group that has been put together with representatives from all the tax-based municipalities to work on the division of the 45 percent of the MRIF funding. We still are not in a position to sign off on the gas tax. We are working on an agreement, we started that discussion late last week. We are hoping to have the signing take place some time in late spring.

Of course, there again, we have to have a lot more discussion. We are talking with the NWTAC and we have a working group, we also have to work with the Department of Indian Affairs, so that we can make some of these decisions. We have a lot of consulting to do and we are also working on another initiative. Through the new deal, there have been some new monies allocated in this budget to top up and increase the Community Infrastructure Program. We have carved it off from the capital planning, or the capital process that we had historically. We have made it an independent amount that communities can use and we have, for the first time this year, allocated some new resources to the tax base.

We have indicated that we have targeted \$3 million per year for the tax base to use towards their capital. We realize there are capital needs in all our communities and it is difficult to really pinpoint how to allocate the money. We also, when deciding on our MRIF, had the discussion about giving a fair amount to each community and, realizing Yellowknife has a big population, we took that into consideration. At the same time, the basis of our negotiation on MRIF was to have a base amount for the communities in the Northwest Territories, and so that is not split on strictly per capita.

There is a lot of money, as indicated in my opening comments. We have seen a significant increase in our capital budget for this coming year, for the following years, for the next considerable amount of time. We have finally some resources to put towards infrastructure deficit. I am hoping it is going to be a fair situation. We are really making every attempt to have the communities decide how they want that allocated. We have working groups dealing with the tax base, with all the community representatives. I am hoping and I am very comfortable

that we will work some kind of solution out, so there is deficit reduction in the infrastructure needs of the communities for the next while.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Next I have for general comments, Mr. Braden.

MR. BRADEN: Thank you, Madam Chairperson. To continue on this theme of the tax-based and non-tax-based communities, especially how it related to the new deal, Madam Chairperson. I am just going to lay out something here that may be my version of what this deal is about and the Minister and his officials can correct me if I am off base on this. One of the key parts of this new deal is recognizing that non-tax-based communities need to have the discretion and the jurisdiction to make more decisions on their own, using their own money for what they feel is right for their community. This brings their status, if you will, or their degree of independence much closer to those of tax-based communities, Madam Chairperson.

My interpretation of the new deal is that we are really narrowing the field for what we have come to understand as a non-tax-based community. Not only are we narrowing the field, are we potentially going to eliminate this whole notion that there is a non-tax-based status among our communities? Have I sort of got that right so far? Is that what we are trying to do?

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

HON. MICHAEL MCLEOD: Thank you, Madam Chairperson. Madam Chairperson, the Member is quite right; we are working towards levelling the playing field. We are working towards giving a greater autonomy to the communities; letting the communities make their own decisions and, at the same time, providing the tools that are necessary for them to do so. We have targeted 2008 as the year that we want to see our communities move toward or become municipal taxation authorities.

They currently pay taxes, they do pay leases and those things have to be recognized. We want the communities to have greater say on capital. We want communities to decide what projects should go or what infrastructure they need and how they should budget themselves. We want them to be able to leverage funding from the federal government or from industry, or wherever the funding is available. We want to be able to have the communities become more independent and have a greater say.

There are a lot of communities, of course, that are not quite in a position to do that at this point. There are quite a few others that have been requesting this for some time. This whole initiative is based on some recommendations that have come forward, especially the recommendation that came forward from the Special Joint Committee on Non-Tax-Based Community Affairs from the 14th Assembly, and it is something this government has been working on for some time. That is where we are heading. Thank you.

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

MR. BRADEN: Madam Chairperson, thank you. The principle of this is something that I really endorse, because I have dealt long enough, Madam Chairperson,

with these situations. If communities indeed have more jurisdiction and more latitude to make some of their own choices, I think there would be more contentment out there with their situation. Along with that, of course, will come a much greater degree of responsibility and accountability at the community level. These are things that every organization and community has to be given, that rope, if you will, so that they can go out. There will be mistakes, I appreciate all of that, but we will have better and healthier communities as a result.

In that same area, Madam Chairperson, I see perhaps a comparison here with what I think has been a mistake of governance by this Assembly; that is in creating so many different areas of jurisdiction for health and education. We have created all these different regional boards and authorities in a number of areas. I think we are questioning now whether these are serving everybody all that well, in terms of their economies, their efficiencies, the duplication of services, the interpretation of policies of rules and regulations. That is my opinion.

I am wondering, in the sense where we are going to be giving communities...Some of them are small communities with limited capacity, we know that. Could we potentially be creating another situation where too much latitude, too much governance, too much authority is put into communities or organizations? That while it may be very desirable, politically, perhaps even financially, to take all these responsibilities on, is it really practical? Is it all going to have a good outcome?

Can the Minister give me some response on that basis? In terms of extending and expanding governance at the smaller community level, is that the right thing to do? Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Madam Chairperson. Madam Chairperson, I certainly think so or I wouldn't be doing it.

It has been something that has been really frustrating for communities across the North for many, many years. They really had no flexibility when it came to decision-making. We set the government's capital plan, we decide their budget, and we decide how they are going to spend it. It is a really paternal attitude that we have had for a number of years. It hasn't allowed the communities to grow. It hasn't allowed the communities to take on more responsibility and it hasn't really required the communities to be all that accountable, because we continue to go and move in and bale them out if they get into trouble.

We want to respond to the communities' requests to start making their own decisions and deciding what their projects are and the governance issues that they have to deal with. There certainly is a realization that not all the communities are ready for that. The Member is correct that some communities are really going to be having a tough time, but we have to start working towards that. We have committed that we will work with those communities to develop capacity.

We have already started talking. Our people from the School of Community Government are looking at the situation and starting to look at the programs that might be required to help enhance their skills. There are a lot of

different things that we are going to have to do and we are probably going to have to do it for many more years. At the same time, we have a lot of communities that are moving towards self-government and planning and will be in the situation very shortly and we have to start moving towards that.

There are other communities that, although they are not in the self-government process of negotiations, have desired, have requested that we do this. That is why we are moving forward. It is something that the communities have been asking for. We realize that in a lot of cases, the capacity is not there, but we have committed to working with them and we will be working with them.

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

MR. BRADEN: The Minister has mentioned, Madam Chairperson, that 2008 is the target for a community to become a tax-based jurisdiction, or there seems to be some kind of terminology there. What I was wondering about was, by then, are we going to be able, in terms of the way we look at these programs in communities, to get rid of this idea that there are some tax-based and some non-tax-based communities.

It is not really a healthy kind of perspective, Madam Chairperson, for an MLA to have this sort of hard distinction between what one group of communities can do or could do and what others can't. I would really like to see us on a more level playing field. Are we going to get to that point where we can throw out this terminology, tax-based and non-tax-based? Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Madam Chairperson. Madam Chairperson, we already feel that the label non-tax-based communities is probably not an accurate one. All our communities pay taxes. There are some band-governed communities that probably don't fit that model, but we want to move towards having everybody on equal footing.

I should point out though, that 2008 is the date we are targeting to have the hamlets and the charter communities all operating as municipal taxation authorities. There are still going to be some communities that are unincorporated, that we will continue to work with to find ways to bring them up to the level that we want them to be.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Next for general comments, I have Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Madam Chairperson. I just wanted to let you know that it has been a pleasure to deal with MACA over the past number of months on various objectives and to deal with it in GED as well. Some of the priorities that I know that we should be heading into are in terms of recreational facilities. I know that, at one point, it used to be a priority of our government that recreation facilities be an important part of all the...I don't know...at least a base line in all the communities. I am kind of in favour of making a move with MACA to make an initiative, to make it part of their goals and objectives and to be part of their mission

statement. Just with that respect, I think it is important because one of the biggest issues that I have been faced with or challenged with is to build or implement or create a recreational facility in the small community of Nahanni Butte. It has been a challenge. There is a small area that was supposed to be designated as a gymnasium, but it is very small, Madam Chair. It is a square room. It has sinks in there so it is not really a play area. I don't know what the thinking was at that time. But if the thinking is that each community should have at least this baseline facility, then it will certainly be in all the plans or be in place today. I was just wondering if the Minister could comment on that. Do we have to get government, by way of mission statements or by way of objectives, to make recreation facilities a priority in all of our communities? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. McLeod.

HON. MICHAEL MCLEOD: Thank you, Madam Chair. Madam Chair, it has always been a part of our department's mandate to include and look at capital projects that were designed for recreation. Over the last few years, our budget has not reflected a lot of capital projects as it was difficult due to our fiscal situation. Capital projects for recreation had to compete with capital projects for water treatment plants and sewer lagoons. There is still a lot of need in the area of water treatment plants and sewer lagoons and infrastructure of that nature. However, this year, and I have indicated in my opening remarks, we have seen a huge increase in our capital funding, 87 percent compared to last year. We know and we have very good indication of what we will be receiving in the future in terms of MRIF funding or gas tax funding and ongoing funding. Under the new deal, we have also seen a new program. I guess you can call it a new program. We have carved off a portion of the capital budget for communities that would be community-owned infrastructure. This has really given us a lot of flexibility.

We now can start looking again at recreation requirements in the communities for the long term. We have fairly stable funding. Those decisions are still being worked on. The criteria for projects that are going to be moved forward out of the 20-year plan are still being looked at. We are still having discussions with the NWT Association of Communities. Of course, we still have to sign a couple of these agreements. We certainly have a lot more flexibility than we had in previous years, but we haven't come up with a really solid plan as where things are going to be spent in the next...We should have those decisions hopefully by the end of March or early April.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Madam Chair. Indeed, in terms of recreational facilities, in particular, the gymnasium for Nahanni Butte, I can just assure the Minister that it was my pleasure to deal with the department on that issue. I know that we are making some headway on that. I appreciate that fact. As well, I was talking to Fort Liard with the gas tax. Apparently, the agreement there is that it is based on collections. The Minister can correct me here, but I think it is 50 percent. The government will fund 50 percent of the gas tax as well as in the hamlets and settlements, but it is based on collections, so it is not actually based on the taxation roll that is there. Actually, it is what is collected. Apparently,

that is the case for the community of Fort Liard. They are in a similar boat to Fort Resolution where, because of claimant issues and the band, there is no effort in trying to collect taxes. So that community cannot depend on the newfound bonus of the gas tax to subsidize or take care of its infrastructure deficit that they also have as long as we do. I am just wondering if the department was looking at that. Is there a way to maximize some benefit for communities like Fort Liard or Fort Resolution, Madam Chair?

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. McLeod.

HON. MICHAEL MCLEOD: Thank you, Madam Chair. Madam Chair, I want to point out to the Member that I certainly appreciate the time and effort the Member, along with a couple of the other Members, have taken to point out that there is a need and there are requirements in small communities for recreation projects. We have taken that under advisement. The Member can be assured that we will roll out and he can see what projects have been moved forward. I personally am not in a position to pick and choose projects. The end of March or early April, he will know what projects are going into which communities or at least what the criteria will be.

As to the gas tax, the gas tax is not tied to any particular methodology or whether it is consumption or any other form. Initially, that is what the government was looking at. The federal government was looking at tying it to public transit use or gas consumption. There was a lot of concern over that from my part, of course, because it would not leave us in a very good situation. The federal government has moved away from that. They are now referring to the federal gas tax as the federal gas tax equivalent, for the most part. We know now what the amount is going to be for the NWT. That was announced in the budget speech. It is \$37.5 million starting this year, providing we can get an agreement this year. This is as much information as we have up to now. We know how much the total amounts are going to be, and we know how much it is going to be for every year over the next five years. It is going to be \$4.5 million this year, \$4.5 million next year, \$6 million the year after, \$7.5 million the year after, and then \$15 million on a continual basis. So there is really no decision. We haven't signed an agreement with the federal government. We haven't really had a chance to negotiate what the criteria is and how it is going to be devolved to the communities. We wanted to have that discussion also with the NWT Association of Communities so that we have some consensus on how we are going to move forward and what we are going to negotiate.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Menicoche.

MR. MENICOCHÉ: I am glad that the Minister brought that up because that was the initial reading that I got from Fort Liard. Hey, here is an opportunity and we are going to miss it. That was a concern. I just wanted to make sure that they are not going to miss an opportunity that, in the small community, they are not collecting taxes just based on the political climate, that they are not penalized for it and, as a result, their infrastructure and subway system doesn't get affected.

I think I will switch gears here a little bit. As well, I want to talk about funding of the community with MRIF in

particular, Fort Simpson with the one-third/one-third/one-third sharing arrangement. Here, again, because of the funding problems in the village of Fort Simpson, they are not going to have the ability to come up with a one-third share as an opportunity to improve our local infrastructure with the biggest need that the community was saying at our roundtable discussion on Friday. They said recreation facilities are a priority for us and we can't do anything with the money that is coming. All our funding is being used for O and M, and we cannot get into funding or sponsoring capital projects. I was just wondering if the Minister is looking at that and looking at new creative ways in which the village of Fort Simpson can invest in infrastructure, in capital projects and just like any other community, Fort Simpson, there again too, is missing one unique baseline. It is a swimming pool for a community of that size. They certainly could use a nice new modern swimming pool, but they don't have the cash to match the GNWT or the federal government in order to build a building like that. I was just wondering if the department is looking at that and taking into consideration how best they can help in a situation like that, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. McLeod.

HON. MICHAEL MCLEOD: Madam Chair, there has been no formula agreed to at this point with the tax-based communities, which includes Fort Simpson. The SAOs are sitting down and trying to work out a formula that would be acceptable to all of the communities. We are expecting that over the next while. I am not sure of the financial situation Fort Simpson is in. My understanding is that Fort Simpson has a surplus. If that is not the case, then we stand to be corrected. We would have to take a look and have a discussion over the actual fiscal situation of Fort Simpson. We are having some discussion within our department. Regarding the \$3 million that is slated in our budget for capital projects, that is part of the community infrastructure program to see if we can allow some flexibility with that money to possibly use as part of the communities' contribution. We haven't arrived there yet. We need to do some more work on that. There are a couple of options. But, first of all, we have to see and sit down with the town, as the Member indicated, Fort Simpson, in this case, to see what their actual fiscal situation is. If there is a serious deficit, then we would have to work with that.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. General comments. Would you please direct your attention to page 4-10 in your main estimates binder? Information item, revenue summary. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 4-13, activity summary, directorate, operations expenditure summary, \$4.512 million. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Page 4-15, activity summary, directorate, grants and contributions, total grants, \$225,000. Total contributions, \$390,000, and total grants and contributions of \$615,000. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Something is burning. Anyway. Thank you. I smell a fire drill coming on. Okay. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Madam Chair. Just with regard to extraordinary funding, it is a very necessary line item. I was just wondering why the estimate would be low, if consistently we are coming in high. Can the Minister address that?

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. McLeod.

HON. MICHAEL MCLEOD: Madam Chair, the submission had gone into FMB for more money. However, the direction we were provided was to come back on a case-by-case basis as needs arise in communities. That is the process that we use.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Madam Chair. I am fine.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Activity summary, directorate, total contributions of \$390,000 and total grants and contributions of \$615,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 4-16, information item, directorate, active positions carrying forward to page 4-17. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 4-19, activity summary, community operations. Mr. Menicoche.

MR. MENICOCHÉ: Just to see where things are going in terms of community infrastructure, specifically the Norman Wells gym and/or office space. Would it be listed under community operations, Madam Chair?

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. McLeod.

HON. MICHAEL MCLEOD: Madam Chair, I would appreciate it if we could get the Member to repeat the question. I didn't catch quite what the question was.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Madam Chair. I had a motion. I was just wondering where to bring it up. I know where to bring it up now. It is fine. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Activity summary, community operations, operations expenditure summary, \$8.922 million. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. It is time to turn the chair over to Mr. Ramsay.

CHAIRMAN (Mr. Ramsay): Thank you, everyone. We are on page 4-19, community operations, operations expenditure summary, \$8.922 million. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-21, activity summary, community operations, grants and contributions, total grants of \$350,000. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total contributions of \$6.019 million. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions of \$6.369 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-22 and 4-23, community operations, active positions. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chair. I just have a question with reference to community operations and the positions dropping by two positions. I am just going back to community operations, program management going from \$187,000 to \$441,000 in program delivery. I would like some clarification on what the program management increases are. Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Mr. Chair. Mr. Chair, the two position increases were a new position for community governments, manager position and also analysis at headquarters.

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

MR. VILLENEUVE: Thank you, Mr. Chair. Do community government managers have anything to do with the new deal that the government is rolling out? Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, no, the position for manager is not for the new deal. However, the analyst position is geared towards assisting the communities to leverage new funding as part of the new deal role, but it's also there to help communities leverage funding from other sources including private enterprise and green fund from the federal government. So that position is tied to the new deal.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I guess I don't want to say that maybe the new deal is putting the cart in front of the horse, but I think the communities, when they do start implementing and incorporating the new deal, there are going to be issues with respect to tax collection, period. Not so much on spending the dollars. I guess I'm just wondering if the government or department has considered maybe getting personnel in the department that would assist communities in implementation of the new deal, as opposed to already having somebody available that's going to be able to help them on how they should spend their money or leverage

cash and everything like that when a lot of the communities are going to be in a position where they're not going to be able to raise any revenue or collect any tax dollars. I'm just wondering how the department is planning on addressing this concern that's probably going to be one of the first issues that comes up when the communities start taking on the new deal and all the initiatives attached. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. Mr. McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. Mr. Chairman, the Member is right; there is going to be a requirement for some people to work with the communities. However, at this point and in this budget, we have not included any positions to increase staff positions to collect the taxes or anything. Those positions are already in place. We're not going to be requiring the communities to collect the tax on their own for some time yet. We will be talking to the communities to see what is going to be needed in terms of resources over this next year. We still have a lot of consultation to do with the communities in terms of what's required and what's needed. I'm sure at some point we may see something, but it's not in this budget for any additional positions for tax collection, because those positions are already in place. We do it now and we do the assessments now, so there's no requirement for it. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Villeneuve, anything further?

MR. VILLENEUVE: Does the department have a plan over the next year in which communities are going to be consulted with, what process they're going to follow and when communities are going to start seeing this plan? When are they going to be in the communities so they can prepare for the meetings and get their points together and stuff like that? Is there something that can go out before the new deal does? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. Mr. McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. Mr. Chairman, our plans are to present the concept to the NWTAC annual general meeting in June of this year. We plan to have two rounds of consultation. The first round is intended to provide an overview of the new deal to the communities and give them an opportunity to ask questions and voice their concerns on issues. We'd be encouraging the communities to provide us with feedback on all kinds of things, including training and support and assistance required. The second round of consultations are intended to provide communities with more specific information on some of the financial arrangements and some more information on the process. So we have a number of years yet, still a couple of years, to have a lot of discussions and have some feedback and start planning around that. Our target is still 2008. We plan to do these two rounds of negotiations over the time between now and then.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Speaking to concerns brought forward to me by the City of Yellowknife, as well as other Yellowknife Members. The City of

Yellowknife was put in a very aggressive position whereas they are essentially obligated to respond to emergency calls such as fire and ambulance just outside of city limits. They're obliged to do that. Essentially their hands are tied and they're almost forced to do that. Now in the city of Yellowknife it costs them X amount of dollars but, unfortunately, when they put in for those types of dollars for recovery, they're not getting their full cost of the recovery. Simply put, if it costs the City of Yellowknife X dollars, MACA's decided it's X minus one. So then the city is at a net loss at the end of the day to provide these services. What is this Minister willing to do to address that problem in this regard? Is he simply in a position where he can say we'll proceed with full cost to the city? How does the Minister see us solving this problem? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. Mr. Chairman, we don't fund the city for ambulances. It's all part of the block funding that they receive. I'm not sure what the Member is expecting us to do to resolve this issue. The city hasn't brought it to our attention, so I'm not sure what the request is here for us to do.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Well, I'll try one more time and maybe if we're not finding even ground, maybe I'm not describing it properly or maybe I'm not on the right department and then that would be fine. Well, at this time, maybe I'll withdraw the question and I'll get some further clarification. If it applies to this Minister, then I'll bring it back to him in another venue. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, there is some discussion going on with different departments over rescue vehicles, highway vehicles and the need for ambulance services, so it really is across a number of departments and we can certainly commit to providing the Member some information as this develops further. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. On that same note, I thought it was the Department of Municipal and Community Affairs that provided funding for emergency responses outside of municipal boundaries and, because there are lots of residents living outside of Yellowknife city boundaries, but they are customers of our municipal services, it was my understanding that there is funding or some kind of agreement between the GNWT and the city to provide this, given the fact that it's this government that collects fees from the residents that live outside the NWT. The city government doesn't get that, but the city government has to provide that service. So it was my understanding that there is some kind of agreement there. It's just that the agreement in place is not adequate. I could be wrong on this. Maybe the Minister could make a commitment to look into it and see what MACA's position is on that. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. I think the Minister did mention that he was going to supply that information to Mr. Hawkins. Perhaps he could supply that information to all the Members. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, we don't provide ambulance services. However, we have, in the past, worked with different communities, Hay River and Fort McPherson and I think Yellowknife also, to access some funding under the Joint Emergency Preparedness Program that's funded through the federal government. We are responsible for emergency measures, which is a little different from highway traffic accidents and ambulance services. There are some responsibilities from other departments that I'm not in a position to comment on at this point as to how they pay for ambulance service.

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

MS. LEE: Thank you, Mr. Chairman. Mr. Chairman, the Minister is right in saying that MACA does not provide ambulance services to residents. What it does do is the GNWT has some kind of understanding with the municipal governments to provide emergency responses to residents living outside of that municipal boundary. Because we know a lot of communities in the Territories where there are lots of people living outside the municipal boundaries, but are close enough that they expect to receive services from that city. My understanding is, by virtue of whatever is in place, the GNWT does pay municipal governments a certain amount per incident. But it's rated in a very low level that municipal governments can hardly recover the costs from that. I'm not talking necessarily about auto accidents or anything like that, but just emergency responses. The residents that live outside of municipal boundaries in the NWT who are in care of the GNWT and they have arrangements with municipalities, wherever is closest, to provide the essential services so that everybody is entitled to that. But I understand the funding mechanism that is in place right now is not adequate, because it does not cover most of the cost of it. I do believe that this is the department responsible and I would like the Minister to look into that and get back to us as to how he could improve that. Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we certainly can take a look at it. We don't pay for ambulances. We don't reimburse towns or cities for ambulances. I believe the Department of Health and Social Services has a program that they use. I'm not sure. Our only responsibility in this case for ambulance services is in our legislation and there is provision so the communities can set by-laws that will allow for ambulance services and state the rules around it. But we can check again. My staff has informed me that we do not pay for ambulances. We have helped communities apply for funding to purchase rescue vehicles and ambulances through the federal program, but that's the extent of our involvement.

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

MS. LEE: Sorry, this will be my last question. I don't want to belabour this point. Could the Minister indicate whether MACA has anything to do with, say, snowmobile accidents on a lake near a municipality? Don't their

emergency response sections respond to that, or are all the services provided by nearby municipalities? Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, no, we don't have that responsibility. We don't provide responses to those types of situations.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I think I actually was on the right page, although we're probably not officially describing it in this way. I think the Minister is right that he doesn't have specific authority, but I guess I'm seeking further certainty on this because the Minister does provide block funding to these municipalities, specifically the City of Yellowknife. Who would the Minister direct the City of Yellowknife to respond to these incidents outside of the municipal boundary because, at this time, the city is in a position where they're funded directly from Municipal and Community Affairs, however, the City of Yellowknife is responding again outside the municipal boundaries. Who would the Minister suggest would be in control of that authority to direct the City of Yellowknife to respond to an emergency? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, I'm not in a position to be able to direct the Member where he would go. I'd have to commit to having further discussions and find out from my colleagues. Right now there are a number of different departments that may be responsible, but I don't have that information right now. I don't believe our department has that responsibility or funds at this point. I'd have to go find out.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I'm not sure if the Minister had said this earlier, but could we just get recognition of there having been a one-time funding in recent history that helped pay and support the City of Yellowknife for the cost associated with responding to some of these calls outside the city of Yellowknife municipal boundaries? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, my comments were that there was assistance with an application to get some federal funding. Historically there have been a number of communities that have accessed this funding and we have assisted them by putting their application together.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Were there any dollars spent under the capacity of the Municipal and Community Affairs department that helped pay for that problem? The funding source or paying for the lack of

funding, at the existing time, does that refer back to paying for ambulance services, et cetera, outside the municipal boundaries? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, I believe there was some money put towards the rescue vehicle in Hay River and also some money towards the vehicle in Fort McPherson. I'm not sure about Yellowknife. It was quite a while ago and I couldn't confirm whether that was the same situation. But there were some capital dollars provided for the vehicles in Fort McPherson and Hay River.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I'm not sure why we're talking about Fort McPherson and capital dollars. I wasn't worried about capital dollars. I was more worried about operational dollars and the cost of this. Was there any type of one-time funding to assist in the past to help cover some of those types of bills under the area of MACA? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. McLeod.

HON. MICHAEL MCLEOD: No, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. McLeod. Mr. Hawkins.

MR. HAWKINS: Actually, I'll take the rest of the commitments home, lock them away from this Minister that he will investigate this problem. I know he'll turn every stone over to help us find proper funding for this service that needs to be done. I'm just going to roll into small comments, which are simply that the City of Yellowknife is obliged to provide these services. Be it goodwill services or simply it's just the darn right thing to do. We can call it whatever we want and I can't imagine the City of Yellowknife not responding to anything which would be within their ability.

The problem we have to recognize is if we have to send an ambulance out of the city, it doesn't really matter, out of the city is enough to emphasize that we don't have services in the city directly to respond at that time. That means they have to call in additional resources in order to keep a base capacity up to a certain level. There is a standard to be set. The further out, we have to recognize, the more expensive it is. If the City of Yellowknife is now responding to calls past Prelude, maybe it's time to talk about the adjustments of the municipal boundaries or maybe it's time to discuss municipal funding, et cetera, and all those related things. I think the Minister has agreed to have a discussion on this topic in the future, so I will leave it at that. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. I have Mr. Braden next. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. We're on page 4-21?

CHAIRMAN (Mr. Ramsay): Just for committee's knowledge here, we're on pages 4-22 and 4-23, active positions, community operations. Mr. Braden.

MR. BRADEN: Okay, thank you, Mr. Chairman. I had a question related to the grants listed on page 4-21. Could I ask on that page?

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Is committee agreed we go back to page 4-21, grants, so Mr. Braden can ask a question?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Committee is agreed. Mr. Braden.

MR. BRADEN: Thank you, everyone. The area I wanted to ask about was on this page, Mr. Chairman, under community operations. There's a grant shown here under the new deal for the Taxation Revenue Program of \$350,000. I'd like to see if the Minister could give us a bit of an explanation of how that number was arrived at. Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. Mr. Chairman, that is the actual amount we received in property tax revenue from communities and that is the amount that we are disbursing to the communities in the form of a grant.

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

MR. BRADEN: Okay, thank you. So is this a grant that we can anticipate in future years will be a regular part of the business plan and, if so, will it be pegged to the actual revenues or the invoiced or assessed revenues? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, it will be pegged to the actual.

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

MR. BRADEN: Okay, so the actual receipts then. I ask that in the context where some communities, some lease holders, either refuse to pay or ignore or whatever. So there is certainly a difference between actual revenues and assessed revenues, and I am hearing that it will be the actual received revenues. This is great. Now, one other aspect of this is that we're seeing here a provision of, if you will, returning an amount of money back to a client base. In this case, it is the communities reflecting the amount of money that was received from them. I find this a bit unusual, Mr. Chairman, in that if I compare it to the taxes that are levied on fuel and there's the perennial argument which is that if we tax the motorist so much for fuel, why don't we take all that tax money and put it into our highways. It seems like a good idea. The argument that consistently comes across is, no, no, no, you can't do that because taxes go into general revenue and then you do the negotiation or decision-making about where to put the money afterward. So this is an interesting situation where we are taking the actual dollar amount assessed as a tax and returning it right back to the client base. If I have a question here, Mr. Chairman, it's am I correct in saying that this doesn't really follow our general taxation

practice? We really seem to be going against the grain when we take this course of action. Can the Minister confirm if I have that right? Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. I guess this is no different than every other jurisdiction across Canada, including the tax-based communities in the Northwest Territories where the money is allocated to the community that revenues are generated from. The only difference would be in this situation is that the Government of the Northwest Territories is collecting the taxes and setting the mill rate.

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

MR. BRADEN: Thank you. This helps me then. If I could put this back to you then, is this indeed the arrangement or the understanding or the agreement that we are, in effect, collecting taxes on behalf of those client communities and then returning it to them? Okay. Alright. That helps me a lot then. Because it would certainly be something that, depending on how we arrived at this number, and I got the answer to that before, you know, would this be an adequate amount of funding? Would it be out of proportion? The Minister has helped clear me up on that area. I don't think I need to ask anything further. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Back to page 4-21, community operations, grants and contributions, grants, \$350,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants, \$350,000. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. Just with community financial contributions, one of the things specifically the Village of Fort Simpson is looking at is a fire truck. The current one is too small for its size. Are community operations a place where we can look at some type of assistance to help the Village of Fort Simpson acquire these new assets? They're also talking about expanding their hall to house the new fire truck; even as far as going out and getting a loan for this new fire truck. How can the Department of Municipal and Community Affairs be helpful in this situation?

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

HON. MICHAEL MCLEOD: Mr. Chairman, the community of Fort Simpson is a tax-based municipality. They are responsible for their own infrastructure needs.

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

MR. MENICOCHÉ: Thank you very much. I am shocked by the short answer.

---Laughter

I remember having a discussion with the Minister and he did mention that the federal government has some type of program to assist municipalities. Maybe if he could

comment on that again. I guess what I'm asking for, Mr. Chairman, is if he can forward that information to me so I can forward it to the Village of Fort Simpson.

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

HON. MICHAEL MCLEOD: Mr. Chairman, the comments I had made with the Member was more in line of what our previous discussion was with some of the questions that just came about regarding ambulances. But my point was that there is some money, through the federal government, for highway rescue vehicles or rescue vehicles and we can point him in that direction. I didn't mean to be very short in my answer. I should point out again that this year there is some money through the new allocation through the... Oh, it's not this year, it's next year. Not this coming fiscal year, the next fiscal year, we'll have a \$3 million allotment for tax-based municipalities to use on capital projects. That might be some assistance there, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you for that, Mr. McLeod. Mr. Menicoche.

MR. MENICOCHE: No, that's fine.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. I have Mr. Villeneuve and then Mr. Hawkins.

MR. VILLENEUVE: Thank you, Mr. Chairman. I just have a quick question about the \$250,000 reduction in granular materials for community operations. I know the department has taken the lead role in working with other departments to figure out what the government's needs are as far as granular materials in all the different communities and future requirements. I guess I just want to ask the Minister, while this review is ongoing and probably will be ongoing for some time now, how is the department going to address the needs that are still going to be out there? Those needs are going to be coming to the brunt of community priorities or to the forefront of all community priorities here in the upcoming months, coming the summer construction period and everything like that. When this review comes out, is there going to be any money available for granular materials once the review is done? How are the communities going to address the funding for materials during the review? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. Mr. McLeod.

HON. MICHAEL MCLEOD: Mr. Chairman, there is money calculated into the community government formula for communities to use for gravel for their roads and, in some cases, for property development. It should be pointed out that this money was more money that was set aside towards emergency-type situations. We still can accommodate those if need be. We have a process for that to come forward for emergency funding situations with FMBS. It should be also pointed out though that our responsibility, our calculations that are included in the formula for community governments are strictly geared towards roads and not development. There are other areas of community needs for gravel which fall under other departments, and those departments are responsible for those needs.

Our granular study is on the way. We have moved forward on that. We have hired a consultant and we're

expecting to have the final report some time in March, towards the end of March, and we'll share that with the Members.

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

MR. VILLENEUVE: Thank you. I just wanted to give some reassurance to the communities that they will have dollars available in the communities' core budget with not just with respect to roads and lot development, but anything over and above that, like access roads and whatever the community uses it for other than roads and lot development, that there will be adequate dollars there. Are those dollars matched, are they the same as last year's dollars or is there any indication of what those might be? Thank you.

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

HON. MICHAEL MCLEOD: Yes, Mr. Chairman, the money that's in the community governments' allocation is the same as last year. There have been no changes to the formula. The formula is being reviewed this year, I should point out. But if there's a need for new subdivisions or new roads in communities, usually the process is to include them under the capital planning process or, I should say, regional operations as an infrastructure contribution.

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

MR. VILLENEUVE: Fine, thanks.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Just quickly, the information that the Minister has committed to supplying Mr. Menicoche, I would like to be copied that as well. Maybe other tax-based Members would like that information as well. I won't speak on their behalf, but I'm sure that they would be interested in seeing it though. So I'll ask for myself, if you could commit to that and supply it to the rest of the Members. Thank you.

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

HON. MICHAEL MCLEOD: Yes, Mr. Chairman, we will agree to that.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We're back on page 4-21, community operations, grants and contributions, grants, total grants, \$350,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Contributions, total contributions, \$6.019 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions, \$6.369 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-22 and 4-23, community operations, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-25, School of Community Government, operations expenditure summary, \$1.9 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-28 and 4-29, School of Community Government, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-31, activity summary, lands administration, operations expenditure summary. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. Under this area we're in lands administration here and the activity description provided in the budget document gives a snapshot of the jurisdiction that the department has here. One of the significant pieces of legislation that it operates under is the Planning Act I think comes into play in this particular area. It has been a frequently raised topic with Members of the city council at least here in Yellowknife that the Planning Act is a pretty critical piece of their planning and legislative framework and that it really needs to be updated. There has been a request in front of the department for some time, I think a few years now to proceed with a rewrite of this act. Can the Minister advise are we about to engage in this, I understand, normal review and revision of the Planning Act? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Yes, Mr. Chairman, we are planning to move forward with discussions on the Planning Act. We will have a discussion paper by March for review.

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

MR. BRADEN: Thank you, Mr. Chairman. So a discussion paper. Where, in terms of timelines, does that put us in terms of planning our legislative calendar and when could we potentially see a finished act? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, at this point, it's difficult to give an accurate set date that we would expect this to be a completed document. We're early into the discussions. We plan to have a discussion paper by probably the end of March or maybe in early April. We are talking with the city. The city is working with us on this through the NWT Association of Communities. So there is still a lot of work to be done and there's still a lot of consultation. It's quite possible that we might have it for the latter part of this year, but I can't say with any certainty on that.

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

MR. BRADEN: Thank you, Mr. Chairman. Within the normal kind of cycle here, I've come to expect that sometimes even modest pieces of work can take between a year and two years. Are we realistically looking at, potentially, about a two-year phase to bring a new bill in? Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, I would hope that would be the longest it would be, but I would hazard a guess that we will probably be looking at some time next year, about this time, to really move on it.

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

MR. HAWKINS: Thank you, Mr. Chairman. Just a further follow-up. Is the intent of the Minister that we are going to proceed with a few short-term fixes, or is it the intent of the Minister to proceed with a full review of this act? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we are right now working on the discussion paper and that is going to outline the scope of what it includes. This discussion paper hasn't been finalized yet, but we'll have something by the end of March, as I indicated earlier.

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

MR. HAWKINS: Thank you. I believe the act is as old as I am, I think someone had said. So that could be a couple of years old, and that's not for the record, by the way. Will that discussion paper identify timelines? Do we do it properly from start to finish, opening the whole act, or is it the intent to just look at the top three issues? Maybe if the Minister could just elaborate on what the intent of the discussion paper is. Is it a situation where we're going to look at addressing short-term versus long-term and open it up to a debate and then decide at that time? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we have asked the committee to outline some of the options and some of the recommendations and we're hoping that this document will include all of that.

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

MR. VILLENEUVE: We're on 4-31, right?

CHAIRMAN (Mr. Ramsay): Page 4-31, lands administration.

MR. VILLENEUVE: Thank you, Mr. Chair. With lands administration, just looking at the operations budget of \$2.5 million, I think that the lands administration here in the NWT is probably one of the more important sections of this whole department. I don't know why there's not more money put into the administration of land, because a lot of the issues that we deal with in this government come

directly from issues surrounding land tenure or squatters or land claims or land transfers or government transfers, resource revenue sharing, devolution, everything. It all has to do with land. So I don't know why land administration in this government is given such a small budget with such a large mandate. I know their mandate is the Territorial Lands Act and the PATA and whatnot.

I would have liked to see more money being put into lands administration because I know you get a lot of feedback from communities saying it takes months or it takes a year to get a lease for property in the NWT. That is just way too long; if it's a federal government lease, it will take even longer. It has to go to the feds, to the GNWT, or to whoever is applying for the lease and depending on whose land it is. With property tax issues now that have become community issues, I think the lands administration is really lacking the resources and the manpower to efficiently manage the land, because there is so much of it and there are so many issues that are directly related to land.

That said, with the whole department's view of land administration; the budget is really not going up too significantly. By the looks of it, it looks like it dropped.

I just wanted to let the Minister know that, in their review of the business plans, the next go-around, we really have to put more money and more dollars into lands administration in this government. The staff that are there now, I know, are just flooded with requests and proposals and trying to straighten out this land mismanagement of the NWT. I just wanted to put that point forward to the Minister for consideration. Maybe he can offer some insight or some recommendations that the department is going to undertake in the future for land admin. Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, I totally agree. The Member is quite right. It is a busy area. We had a number of initiatives that we had planned to do this year that we are really struggling to find resources to deal with. As part of our reduction process, we had to reduce the funding that was allocated for the Planning Act review. We have since been able to scrape up enough through internal resources to deal with it. We are still working really hard. We'd like to do also the Property Assessment and Taxation Act and we need resources to deal with it. It's a costly undertaking. We are well aware that it has to be reviewed but, as part of the reduction, we did have to remove these initiatives. We also had to cut two positions. So that's why there's a decrease in our budget this year and it really makes it difficult, but we have to work with what we have, in terms of resources.

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

MR. VILLENEUVE: Thank you, Mr. Chairman. I know all the budget cuts are across the board in the whole government. I just feel that land administration in one area where you just can't cut and you basically have to build the capacity there. If it's not community capacity, it should be our own government capacity in that whole area of land. In places like the directorate where no one really deals directly with the people at the forefront of delivering land administration, they don't deal with constituents'

direct concerns with land administration. I think that there just has to be some better prioritizing of where the cuts should go and how they should be administered.

Again, everything that we deal with in this House has some relationship to land administration, I think, and I think that Municipal and Community Affairs should really be on top of the land administration game with the federal government, with the land claims groups and with ourselves and with the constituents. They should be able to deliver land administration efficiently and effectively. If you are waiting two, three, five years for a community land transfer to go through, then there's a problem there in the administration. Something gets lost somewhere or gets bogged down by bureaucracy or something like that, then the whole lands administration is ineffective and inefficient and I think it really has to be revisited. I just wanted to make that point. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. Mr. Minister. Okay. We're on page 4-31, activity summary, lands administration, operations expenditure summary, \$2.594 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-33, activity summary, lands administration, grants and contributions, contributions, total contributions, \$300,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions, \$300,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-34 and 4-35, lands administration, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-37, activity summary, sport, recreation and youth. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. My questions sort of span pages 4-36 to 4-39, so I'm just going to drop them in here and I'm sure the Minister can wrap them up. Mr. Chairman, I have a school in my constituency called Mildred Hall and they are funded through the normal process; the Department of Education, and then it goes down to the next level of district education authority and then directly to the school.

The school is building a community park out of their playground and that's why I thought I would first outline I know where they would get their main funding from, but the school sees their playground as a playground for recess and coming into school and coming out of school kind of perspective. Yet, the community sees their playground as a community playground. This school is in dire need of a serious infusion of good dollars to help develop it for a community type of park, because when you travel along the city in July or you travel along the road by Mildred Hall in September or October, kids are always playing there and the kids of the city always see it as a playground. So would the Minister see this as a proper area for helping fund community playgrounds as such, helping to develop it in that context? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we do provide funding to the City of Yellowknife for recreation funding and I think that would be the better place to apply; through the city. Our funding is already allocated to them.

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

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Chairman, I appreciate the insight the Minister has offered, but the City of Yellowknife doesn't find that relevant. Mildred Hall is funded through the district education authority and the district education authority is then subsequently funded by the Department of Education and so on. So the city doesn't find that relevant, but it's still a community park and recreation area, as I see it, in this community. This part is a draw on this whole community. In the summertime, people are playing basketball, they're getting some fresh air. People are playing baseball there. It is a community park.

Does the Minister see that this is very applicable to help further develop this recreation area for the community as a community park? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, I'm really not in a position to point to any programs that we have for the city to apply to, except to repeat exactly what I said earlier; that we do provide funding. We give the city \$80,000 every year for recreation and that's the best avenue to follow up on this.

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

MR. HAWKINS: Thank you. Well, \$80,000 to the City of Yellowknife doesn't go very far. I'll take the questions up at a later time with the Minister directly.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. We're on page 4-37, activity summary, sport, recreation and youth, operations expenditure summary, \$1.113 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-39, activity summary, sport, recreation and youth, grants and contributions, grants, total grants, \$28,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Contributions, total contributions, \$195,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions, \$223,000. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I just have one question. The Minister entertained the idea of considering future funding to non-profit or non-government agencies like friendship centres in the NWT who do a lot of work with volunteers and raising volunteer awareness

and training volunteers, and \$20,000 for training volunteers for non-profit organizations is ludicrous. I know the eight friendship centres we have in the NWT have been pounding on the government's door for years just to try to get a dollar of core funding from this government to help with their core programs.

SOME HON. MEMBERS: Years!

MR. VILLENEUVE: I am not sure if it's under this department that I should be directing it to, but there is something for volunteers and the friendship centres are directly volunteer driven. Has the Minister ever entertained the idea of providing some core funding to these NGOs? Thank you.

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

HON. MICHAEL MCLEOD: Thank you, Mr. Chairman. Mr. Chairman, I am not sure we've entertained it. We certainly haven't entertained it in this year's budget. The friendship centres are funded through a formula that's provided through the federal government. The federal government has various ways to provide funding to these centres. Some of it is for capital, some of it is for training and some of it is core. We haven't really provided. We do, on some occasions through different government departments, provide some money to support different programs and different initiatives, but we, as a department, have not considered providing core funding to a program that's considered federal at this point.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Back to page 4-39, activity summary, sport, recreation and youth, grants and contributions, grants, total grants, \$28,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Contributions, total contributions, \$195,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions, \$223,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-40 and 4-41, sport, recreation and youth, active positions

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-43, activity summary, regional operations, operations expenditure summary, \$63.463 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-45, activity summary, regional operations. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Could I get the Minister to provide a breakdown to me with regard to grants-in-lieu of taxes? We have \$4.543 million. Could he provide a breakdown by community and then further break it out to how that applies? Obviously this time, it's probably too difficult, but if he could provide a full

breakdown and then send it to me, I would appreciate it. Thank you.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we will commit to that. We don't have that information at this time, but we will provide it at a later date.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Back to page 4-45, regional operations, grants and contributions, community government, grants and contributions, grants, total grants, \$40.905 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Contributions, \$7.678 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): It's continued on page 4-46, infrastructure contributions, total infrastructure contributions, \$3.644 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total community government, grants and contributions, \$52.227 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I will reiterate something that I pointed out in last year's budget session about the typos or the communities that aren't included in the infrastructure contribution. I just don't see any South Slave communities, never mind Deninu Kue and Lutsel'k'e. I just wanted to make a point of that. There are communities missing it seems. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Villeneuve. We are on page 4-46, total community government grants and contributions, \$52.227 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): On to page 4-47, activity summary, regional operations, grants and contributions. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Referring to the \$1 million allocated to the Community Initiatives Program, could I get a breakdown on that item? I will accept a commitment from him and receive it at a later time.

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

HON. MICHAEL MCLEOD: Mr. Chairman, we have no problem doing that.

CHAIRMAN (Mr. Ramsay): Mr. Hawkins.

MR. HAWKINS: My apologies, I forgot one more. I would also like the community development fund broken out, the last year only for both of those projects. I don't need massive historical data. I just want to get a sense on

where that money is going, what type of projects apply and how that is spent.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. Mr. Minister.

HON. MICHAEL MCLEOD: Yes, Mr. Chairman, we can provide that information. In fact, we tabled some of this information already. It will be no problem to dig it up.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We are on page 4-47, other grants and contributions, grants, total grants, \$55,000; contributions, total contributions, \$2.750 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Over to page 4-48, regional operations, grants and contributions continued, total other grants and contributions, \$2.805 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total grants and contributions, \$55.032 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Pages 4-50 and 4-51, regional operations, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 4-52, work performed on behalf of others and on 4-53, worked performed on behalf of others. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. With regard to page 4-53, worked performed on behalf of others, the official languages for French, I am curious as to why it's listed in this department for \$12,000. Why would it not be in the Department of Education? What is the reasoning behind it sitting in this department? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, the Department of Education, Culture and Employment is the lead department on official languages; however, each department gets a portion to deal with the official language requirements.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We are on page 4-53 and it's continued on 4-54, work performed on behalf of others, \$465,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Let's return to 4-7, department summary, operations expenditure summary, \$82.504 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): We will now go to volume II, capital infrastructure. We will come back to 3-3, but we will start on page 3-4, capital acquisition. We are on

community operations, infrastructure investment summary, \$3.952 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 3-5, infrastructure acquisition plan, community operations. Mr. Menicoche.

Committee Motion 25-15(3) Recommendation To Accelerate The Planning Of A Gymnasium For Nahanni Butte, Carried

MR. MENICOCHÉ: Thank you, Mr. Chairman. I move that this committee recommends that the Minister of Municipal and Community Affairs accelerate the planning for a gymnasium in Nahanni Butte;

And further that this project be completed during 2006-07 fiscal year.

CHAIRMAN (Mr. Ramsay): The motion is just being circulated. Thank you, Mr. Menicoche. The motion has been circulated. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

---Applause

We are back to page 3-5, infrastructure acquisition plan, community operations, tangible capital assets, total tangible capital assets, \$3.952 million. Infrastructure contributions, total infrastructure contributions, \$5.819 million. Total activity, \$9.771 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 3-6, activity summary, lands administration, infrastructure investment summary, total net book value and work in progress, \$1.359 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 3-7, infrastructure acquisition plan, lands administration, tangible capital assets, total tangible capital assets, \$500,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Infrastructure contributions, total infrastructure contributions, \$300,000. Total activity, \$800,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 3-8, activity summary, regional operations, infrastructure investment summary, total net book value and work in progress, \$70.556 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 3-9, infrastructure acquisition plan, regional operations, tangible capital assets and it's continued on page 3-10, regional operations, total tangible capital assets, \$11.985 million. Infrastructure contributions is continued on pages 3-11 and 3-12, total infrastructure contributions, \$3.644 million.

Total activity, \$15.639 million. Total department, \$26.2 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Does committee agree that this concludes the Department of Municipal and Community Affairs estimates? Thank you.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): I would like to thank the Minister and Ms. Bassi-Kellett and Ms. DeLancey for joining us this afternoon. Thank you very much.

Thank you, committee. We are going to take a short recess at this moment in time.

---SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen): I would like to call Committee of the Whole back to order. We are on the NWT Housing Corporation main estimates. I will ask Minister Krutko if he would please like to present his opening remarks.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Madam Chair, I am pleased to present the Northwest Territories Housing Corporation's main estimates for the fiscal year 2005-06.

The overall budget of the corporation for 2005-06 is \$105.966 million. The total GNWT contribution towards this budget is \$35.956 million. This is a substantial reduction from last year and is due primarily to the transfer of public housing subsidies to Education, Culture and Employment, effective April 1, 2005. Removing this transfer from the equation shows an overall decrease of 3.3 percent from the 2004-05 Main Estimates.

Madam Chair, during 2005-06, the NWT Housing Corporation is planning to increase its rental housing portfolio. The corporation will spend \$9.320 million to construct 56 units in communities across the Northwest Territories. Included in this allocation are eight barrier-free units for persons with disabilities in Yellowknife...

---Applause

HON. DAVID KRUTKO: ...and, Madam Chair, 28 units to be built in several communities to help address the significant need for singles units.

---Applause

The remaining 20 units will be delivered under phase two of the market housing initiative.

The Housing Corporation also plans to invest \$8.430 in modernizing and upgrading our rental stock and will contribute \$12.846 million to assist over 100 families through homeownership programs such as the Expanded Downpayment Assistance Program or the Independent Housing Program. Under our repair programs, we have set aside \$2.536 million to fund emergency repair and various seniors programs such as the Seniors/Disabled Preventative Maintenance Program and the Senior Citizen Home Repair Program.

The contributions outlined in these estimates will allow the corporation to work towards meeting the housing needs

outlined in the 2004 NWT community survey. The results of this survey confirm that our investments over the past four years have had a positive impact, but much work remains.

As I mentioned earlier, the \$31 million public housing subsidy will be transferred to ECE on April 1, 2005. This will not only improve client services, but will also provide the corporation with an opportunity to redefine its mandate. Work continues on this front and I will be seeking formal Cabinet approval on a revised mandate for the NWT Housing Corporation by April 1, 2005. These two actions should allow the corporation to strengthen NWT housing markets and position itself as a market leader in housing.

As Members are aware, the Canada Mortgage and Housing Corporation continues to reduce housing contributions across Canada. This presents a unique challenge for the corporation and one which will require some difficult decisions by all Members over the coming years.

We have also been working hard to strengthen ties with our federal counterparts. I've been able to meet privately with federal Minister Fontana on a number of occasions and have used these opportunities to outline our concern with per capital funding and other unique challenge we face in the North. The Minister seems to agree with our concern regarding funding arrangements and has indicated support in tackling the numerous obstacles we face. I am looking forward to future meetings and to a possible northern tour by the Minister during this spring.

At this time, I would be pleased to answer any questions the committee may have. Thank you, Madam Chair. That concludes my opening remarks.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. At this time I will ask the chair of the Standing Committee on Social Programs to provide the committee's comments on the review of the main estimates for the Housing Corporation. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. The Standing Committee on Social Programs met with the Minister and his officials on Thursday, January 13, 2005, to review the draft main estimates of the Northwest Territories Housing Corporation.

Committee noted the total operating budget for the Northwest Territories Housing Corporation for 2005-06 is planned at \$105.996 million. Of this total amount, the corporation proposes to generate \$70.010 million in revenues and a GNWT contribution of \$35.956 million. The substantial difference from last year's main estimates is the transfer of Social Housing Program dollars to the department of Education, Culture and Employment in the amount of \$15.870 million.

The following outlines committee members' issues during their review of the 2005-2006 Draft Main Estimates for the Northwest Territories Housing Corporation.

Market Housing Initiative (MHI)

The committee believes the market housing initiative to be a complete failure. Since the beginning, committee has expressed concerns about how this program came into being. The waiver of the business incentive policy, the

rushed nature of the program to meet shipping deadlines and the lack of available serviced lots in some communities, appear to have contributed to the overall failure of the market housing initiative. Further, the Northwest Territories Housing Corporation failed to undertake the proper consultation to determine whether the use of mobile homes met the needs of the target rental market and whether rental rates charged to recover investment costs were acceptable to the target market.

Out of the 22 units delivered in 2004-05, 14 units are presently unoccupied and the professionals who were the target market occupy only five units. The total cost of the project was \$2.5 million. The Northwest Territories Housing Corporation believes it can dispose of these vacant units as either public housing units or for sale to interested parties. Committee is not impressed with such a proposal. The market housing initiative was approved for a specific purpose: to house and to attract professionals, like nurses and teachers, into small communities, and not for social or market housing.

Meanwhile, the cost of financing, heating and maintaining the empty units is eating a big hole in the corporation's expectation that the entire MHI would be 100 percent self-financing.

Time and time again the committee has requested a post-mortem on the 2004-05 activities under the market housing initiative. In a December 3, 2004, response to the committee, the corporation committed to providing this post-mortem later that month. In an e-mail dated December 8th, it further revised the delivery date to mid-January and then again, during the main estimates review, revised it to mid-February. The NWT HC is awaiting feedback from the departments of Justice and Health and Social Services to complete the post-mortem on the first phase of the market housing initiative. The plan is then to take it to Cabinet to decide on whether to continue the delivery of 22 more units, the second phase of the market housing initiative project.

Committee has advised the corporation and the Standing Committee on Accountability and Oversight of its serious concerns over the corporation's handling of the market housing initiative and of committee's reluctance to support \$2.2 million in borrowing for phase two in 2005-06.

Members await the outcome of the assessment report and the Cabinet's decision and anticipate further discussion on the MHI during Committee of the Whole.

Federal Funding Of Housing Programs

Members were made aware that the Minister is meeting with Housing Ministers from across the country, the federal Housing Minister and Canada Mortgage and Housing Corporation, CMHC, officials to discuss potential CMHC initiatives and the inequalities of current formula financing. The discussions were specifically on base and per capita funding and other CMHC programs primarily focusing on aboriginal housing and whether it meets the needs of the NWT and smaller jurisdictions across the country. The resulting communiqué identifies problems associated with the rural and remote parts of Canada and includes funding inequalities and the lack of and condition of housing for First Nations people.

The Minister stated he has had the opportunity for private meetings with the federal Housing Minister on at least two

occasions. The Minister of the NWTHC believes the federal government is in support of distributing federal funding and program access on a more equitable basis across the country. They are currently discussing formula financing that includes a base minimum plus per capita funding.

The committee acknowledges the Minister and his officials' efforts in lobbying the federal Housing Minister but note that as of yet nothing is in writing. Committee wholeheartedly encourages the Minister to press for an agreement in writing during his next meeting with the federal Housing Minister, some time in the spring.

Budget Reporting For NWTHC

The Standing Committee on Social Programs is concerned with the corporation's budget reporting process. The corporation, because of its unique structure, is not guided by the same principles as the departments. Being a corporation, they have different statutory authority and budget for results. This causes fluctuations between proposed mains and actuals.

Committee is concerned this diminishes the committee's oversight function and proposes that before the next business plan review, the Northwest Territories Housing Corporation, the Financial Management Board Secretariat and the standing committee establish a bureaucratic working group to ensure the needs of the standing committee are met while allowing the NWT Housing Corporation the flexibility to carry out its mandate.

The Standing Committee on Social Programs looks forward to establishing this working group and seeing the results during the next business planning cycle.

Madam Chair, at this time I would like to ask the Member for Great Slave to continue on with the report. Thank you.

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

Selling Off Public Housing Units

MR. BRADEN: Thank you, Mr. Chairman. Committee supports the plan to sell off 450 public housing units over the next eight years and replace them with 250 new multi-family units. The corporation will be replacing older inefficient units with newer cost-efficient units and thus will reduce operating costs in its public housing portfolio.

Committee was particularly concerned with the negative press generated by the media who appeared unaware of the intent behind the sale of public housing units. Members informed the Minister that a communications strategy should be implemented to alleviate any community or client concerns.

The Standing Committee on Social Programs' support for the sale of public housing stock is conditional on the continued adherence to the replacement plan and revenues generated from the sale of public housing units not being used to support administration costs.

Committee recognizes that housing needs change from time to time, and from community to community. In this context, we support the strategy of selling older, high-cost units or those units surplus to a community's foreseeable social housing needs.

The committee will be monitoring this issue and following up at the next available opportunity with the Minister responsible for the Northwest Territories Housing Corporation.

Maintenance Management Operating System (MMOS)

The Standing Committee on Social Programs has previously recommended the Northwest Territories Housing Corporation respect its mandate and turn over the marketing and support function for the MMOS program to the private sector or to a more appropriate government department or agency.

The corporation has been charged with redefining its mandate to better meet the housing needs of northerners. It appears from the tone of their December 20th response, that the MMOS system may very well be a part of any new mandate. In addition, the information systems/information technology plan, presented as part of the business plan, clearly states that information services will be working with business development personnel within the corporation to develop a corporation marketing plan.

During the main estimates review, the Standing Committee on Social Programs was reassured the NWTHC is not presently marketing this software. It will strictly be used as an in-house tool to manage their assets.

Committee is still concerned that in their new mandate the MMOS software application program may appear as a new marketing initiative to generate revenues.

Local Housing Authority Versus Headquarters Funding

In a time when housing needs are growing in virtually every community, and when the government overall is looking to reduce internal expenses, it would be anticipated that spending on housing programs would be increasing while costs for overhead and administration would be going down. Sadly, the NWT Housing Corporation has demonstrated its ability to defeat logic.

The district offices and the local housing authorities will see budget cuts of some \$1.1 million this year, while the four headquarters functions will see increases of \$1.17 million.

AN HON. MEMBER: Shame, shame.

MR. BRADEN: Committee is troubled by its observation that the corporation is maintaining the same number of person years at the Headquarters level as last year. Across the GNWT, departments have reduced headquarters staffing to meet some of the targeted, government-wide fiscal reduction requirements. The Minister and his officials were adamant that headquarters staff is essential with the focus of transferring Social Housing Program funding to the department of Education, Culture and Employment and with the redefining of the NWTHC's mandate.

Committee will monitor any further financial reductions and changes to the NWT Housing Corporation to ensure that financial restraints are met at the headquarter level and not by the local housing authorities. In addition, with the transfer of social housing to ECE, the NWTHC will

have to examine decreasing staff at headquarters and regional levels.

New Mandate For The NWT Housing Corporation

The Northwest Territories Housing Corporation is in the initial phase of redefining its mandate to better provide affordable housing for the residents of the Northwest Territories. The Minister and his officials are currently working on a paper outlining the new mandate that is scheduled for Cabinet review and possible approval by April 1, 2005.

Committee members would like to encourage the Minister to improve stakeholder involvement in determining the new mandate for the NWT Housing Corporation. It appears there is limited stakeholder involvement, which committee believes is a crucial element in developing an effective mandate.

In addition, the committee proposes a limitation on the percentage of the budget that can be spent on administration, policy development and finance. This should ensure the bulk of the corporation's money is utilized building or repairing housing units, rather than on administration costs. Members believe the corporation's priority should be program delivery rather than administration.

Committee looks forward to participating in defining the new mandate for the NWT Housing Corporation and would appreciate the opportunity to be involved in setting the performance measures once the mandate is established.

Madam Chair, that concludes the Social Program's report on the Housing Corporation. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. If the committee is agreed, could I ask the Minister if he would like to bring witnesses in?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed. Mr. Krutko, would you like to bring in witnesses?

HON. DAVID KRUTKO: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Sergeant-at-Arms, please escort Minister Krutko's officials to the table.

Minister Krutko, for the record, could you please introduce your witnesses.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Madam Chair, to my left I have Jeff Anderson, the chief financial officer; to my right I have Mr. Fred Koe, the president of the Northwest Territories Housing Corporation.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Do Members have any general comments with respect to the NWT Housing Corporation? Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I want to say thank you to the Social Programs committee for their review of the Housing Corporation. I have attended a couple information sessions that Social Programs had put on with the Minister and his staff, with regard to the market housing initiative, and they were very informative

and I thank the chair of the Social Programs committee for letting other Members attend those.

The one question that I have, and I'm not sure if the Minister and his staff have this readily available tonight, but what is the exact dollar figure that gets spent on actual on-the-ground housing in communities of your entire budget, and what dollar amount is on administrative overhead? I'm not sure if the Minister has that or if he can break that down percentage-wise and in a rough dollar estimate; that would be a good start. Thank you, Madam Chairperson.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. Madam Chairperson, the breakdown in regard to the overall administration cost is seven percent Yellowknife/headquarters, six percent at the regional operations, and 86 percent in communities.

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

MR. RAMSAY: Thank you, Madam Chairperson. I would be looking for a little bit more detail. What I am looking for is the actual dollar figures that go into building homes in communities. Aside from the administrative side of things, if the Minister could, and I don't need that information today, I am wondering if he could provide that to me at a later date. That would be fine. Thank you.

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

HON. DAVID KRUTKO: I believe that once we go through the main estimates, it will be identified on page 8-30 of our budget. Again, as the Member mentioned, it is important to realize that, as I mentioned in my opening remarks, we're spending well in excess \$33 million on housing construction this year. We are hoping to deliver some 158 units into our communities. Almost one-third of our budget, excluding the social funding aspect, goes into communities by way of construction of new units.

These are the number of units we are looking at constructing this year. We are expending almost \$33 million in that area. In order to meet the demands we have out there, we have to start spending more money on infrastructure, but also realizing that we have to be open minded, that in order for us to meet the goals that we have, there have been motions passed in this House, but also looking at our needs survey, we are well in excess of 1,100 units and we need just to bring our needs survey down below 30 percent.

With the change in the corporation, looking at our mandate, we are starting to restructure ourselves so we are more delivery oriented, ensuring that we have capacity at communities and within the regions to ensure that we are able to deliver these housing programs and also bring down those needs numbers well below 30 percent. That is probably one of the bigger challenges we are facing going forward. By putting 158 units into communities in this fiscal budget is a start; but in order to meet the requirement we are looking for, we are going to need a major influx of capital by way of the federal government or through partnerships or through developing a community arrangement with aboriginal organizations.

We have been looking at those types of agreements, but I think that is something that we have to work at. It is something that, as a government and also as Members realize, through debates in this House and motions passed here in Committee of the Whole, identify the housing crisis that we find ourselves in but also finding unique ways to get out of it. Thank you.

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

MR. RAMSAY: Thank you, Madam Chairperson. I agree with the Minister and I want to support him and his staff in trying to get some more, obviously, much-needed housing into the communities. There is a lot of need out there and the Minister has identified some of the need.

The Minister also mentioned the number \$33 million which is roughly what I think goes directly into building houses or providing housing into the communities in the Northwest Territories. If you take a look at it from a different approach, we have a department like the Executive, for example, where we spend just under \$50 million. That is a tremendous amount of money in a department like the Executive, when in actual fact the Government of the Northwest Territories is only spending \$33 million on housing; an essential need of the citizens here in the Northwest Territories.

SOME HON. MEMBERS: Bad.

MR. RAMSAY: Again, I think it goes back to priorities and the Minister is correct; he does need some support to try to get an influx of capital to try to get some of these addressed. I just wanted to let the Minister know that I am willing to work with him and the Housing Corporation in trying to make that happen and redefine some of our priorities here, and our spending, because it does not line up the way I believe it possibly could be or should be.

I just wanted to finish off with a comment on the market housing initiative. I know the intentions were good. It hasn't come off as well as Regular Members would have hoped. That is kind of a shame. The problem in it that I see, and I mentioned this when we had the meeting, when the Minister was before the Social Programs committee, in talking to deputy ministers and talking to other bureaucrats about whether or not there is a need in a community is one thing. Before something happens, you have to talk to the people that are actually going to be in the unit, the tenants.

I don't know if that happened in this case, where there are still a number of units that are vacant. I think the Minister was onto the right kind of thing to be doing, but I just don't believe the homework was done on trying to get us there. The Minister has got his hands full on trying to find some money and there are some of us Regular Members on this side of the House that, hopefully, we can try to find him some more money for the much-needed housing problem that faces the North. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. I think we do have to find new initiatives. Market housing is one component; but what we have to realize is the challenge that we are facing and where we

are trying to go, is to try to find affordable, adequate and suitable housing. I think the keyword is affordable.

We see a lot of people who are middleclass people and low-income people having to depend on social housing to such a degree that it is having an impact on housing programs across the Territories. In order for us to be able to meet that challenge, we have to find ways of bringing down the cost of housing, but also doing it in such a way that, at the end of the day, it is affordable to people; looking at unique ways of constructing and looking at new energy-efficient homes to bring down the costs and also ensuring that we have the resources by way of program resources.

We have talked about spending well in excess of \$12 million just on access programs, IHP programs, to make sure that people are able to get into homeownership. Again, that is a challenge we are all facing. The other big challenge we are facing in the North, that we all realize is out there, is just trying to find the labour force to deliver a lot of these projects in our communities, by realizing that we have a high cost of construction in just trying to find people to construct a lot of these units.

That is why it is important that we develop that capacity, but also realizing that we have to find unique ways of working with CMHC, the federal Minister of Housing and also looking at the partners that we have in the Northwest Territories.

I am presently working fairly closely with Bill Erasmus, who is developing a housing strategy for aboriginal communities in the Northwest Territories. Through our shop and in working with Billy's people, we are pulling this information together so that when they go to the federal government or we go to the federal government, we have information that is consistent. It doesn't matter if it's coming from ourselves as government or an aboriginal organization, we still represent the same people.

The more resources we get, regardless of how get it here, the better off we will be at the end of the day to ensure that we are able to deliver these housing programs in the Northwest Territories. We have to be opened minded to ensure that we start looking at who else is out there and also how we can build these partnerships. Again, we have to send a message to Ottawa.

This is a real eye-opener for me; basically, there is \$350 million pot of housing money for affordable housing, then they divvy it up based on per capita and we get \$400,000 to us paid out over four years, you can't build housing with \$400,000, never mind trying to account for it over four years. So these are the roadblocks we're up against. But I think that through our looking at the mandate of the corporation and developing a northern housing strategy that's made here in the North developed by Members of this House, along with the government and our partners, we have to have a pact, something together that's made in the North to deal with the challenges we're all having to face. Thank you, Madam Chair.

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

MR. HAWKINS: Thank you, Madam Chair. At this time, I wish to first start off by saying a huge yahoo to the Housing Corporation for paragraph three when it comes to the eight barrier-free units for persons with disabilities. A

big congratulations to them actually hearing and responding to the need. It's certainly an area of significant interest. I spent a bit of time in this House and a serious amount of time talking to this Minister about this need and I certainly have to say that good work needs to be responded to with the appropriate praise. I certainly want to emphasize that the Housing Corporation is listening to the needs of the constituents and the people that we serve. A significant amount of applause goes your way in that manner, speaking strictly and directly to the barrier-free units for people with disabilities.

Madam Chair, I'd like to continue, although I have a lot of enthusiasm with that response. That was a big yahoo. A round of yahoos from everyone.

Madam Chair, I'd like to continue my questions in regard to the Expanded Downpayment Assistance Program and is my understanding that the Housing Corporation is still screening applications for the EDAP, although they do not have money in the present budget for clients. So people are having intakes of applications being screened and even being approved, but there's no money. Noting that we're talking about the new budget year, anyone who's applied for this type of money, been approved through that type of program and been acknowledged that they would be a good contender of the EDAP program, would their application carry over into the new fiscal year starting April 1st, even though we still approved them after all the money was expended. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we have seen a major increase in the number of applications we've received from communities for the EDAP and it's definitely one of the ways we can get people out of social housing and into homeownership. Just in Yellowknife alone, we've assisted 120 clients and expended \$9.6 million. I think that alone shows that the program is working and assisting people getting into homeownership here in Yellowknife. I think that in other communities we are working with the community organizations through local housing authority offices and our program officers who go into the communities and take the applications.

Again, it's one program we have, but I think we have to expand that program to assist people who are on low income to extend the mortgage period from 20 years to 25 years, so that they can bring down those costs. The problem we're running into is the whole area of being able to go to the bank and being able to access a mortgage. EDAP assists you in getting to the bank and once you get to the bank, you can acquire a loan. But I think what we're seeing is, because a lot of people either have a bad credit rating or basically have no long-term security by way of job security, the first thing they look at is they want to have some security on the mortgage that you get with the bank. A lot of people are having problems just trying to acquire that mortgage from the bank because, in most cases, it's their first mortgage and they don't really have a work history or they have a credit problem. A lot of people are being refused through this program. We have to work to take down some of those barriers to ensure this program is successful to more people than what we're seeing right now. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. Then if the Minister acknowledges that we have to work to take down these barriers, would the Minister clearly say today that anyone who applied, for example, after January 1st and still qualified for this program, although the funds had been completely exhausted, that they should still qualify for funding in the EDAP beginning April 1st? They would still be considered qualified for the program without having to reapply and go through the process again, acknowledging that they did qualify at the proper time through the proper scrutiny, yet there was no money and we still took their application in. Would he acknowledge that and it's not appropriate for him to give a firm date of how far we'd go back to acknowledge people who should qualify and how far we should consider their applications valid. Would he acknowledge to the question of those who applied when we had no funds should have a right to come back as a priority and we can put some limits on that? Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, in regard to our clients, we encourage them to continue coming forward because, for a lot of them, their circumstances change year to year. Because of that change, it's important for them to realize that circumstances may change with regard to their job security or their collateral or looking at some sort of security against the mortgage. I think it's important for our clients to continue. I think one of the things that I really see an improvement in is we started getting out there and pushing communities to make them realize we have universal partnership agreements for communities to partner with to be the frontline workers to explain the different programs that we have. Also we go meet with the homeowners and seniors and say these are the programs out there. We encourage them to get in with their application and be the person that's the go-between, between our clients in the communities and the people at our regional office. We've really seen an increase in the number of clients that we're able to serve. We've also seen a decrease in the complaints that we have been receiving from communities by just making that little change.

I'd just like to provide some information with regard to EDAP. We've assisted some 571 clients and we've also been able to leverage almost \$41 million from the banks by using this program. It shows that we have been able to assist quite a few people in northern Canada by not only using our money, but by accessing bank financing which really goes into not only homeownership, but it goes back into our economy to improve that. I think we have to continue that to realize how important a role housing plays in northern Canada, as well as in our economy. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. If a person applied for the EDAP, regardless of ramping up, but if they were approved on January 1st of this year, how long would their application for support for EDAP be valid for, even if

there wasn't any money in the pot to access that money? How long would that application be valid for? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, it's important to realize that the funding we do get is given based on a priority basis. It's based on the applications that require this EDAP. The key is, if we approve it, the bank has to approve it also. In most cases, that's where they're turned down, once they get to the bank. Again, an application that's put in in January, if they feel they want to come back and renew their application or their circumstances change where they have acquired a full-time job compared to before when they had a part-time job, they can come back in and continue to process applications. It doesn't have to be one application a year. Again, it's based on priorities and having the resources for this program. I think it's important that we encourage people to get into homeownership. I think that's probably the most positive thing an individual can do, is become a homeowner while also realizing that with that comes independence. I think you want more people to be homeowners. With the program dollars we do have, we're open to applications from people coming in the spring or fall or winter. It's based on priority listing and as long as the resources are there to provide assistance to this program.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. Madam Chair, I'm kind of asking these questions in a specific way because we're still taking applications from the fiscal year 2004-05 and the money has been spent. What we have are people who go to the bank who would qualify, who live in our housing units, who are our prime group that we're trying to focus this on, where we've got families who are in our low-cost housing. I don't know what they pay. Some of them pay \$32 a month; some of them probably pay \$200 or \$300 a month. But I'm talking specifically about people who have gone to the bank, applied for potential mortgages, worked with the Housing Corporation and EDAP, we've taken their application and accepted their application on the approval process, but there's no money to move forward. These clients have gone through moving forward to try to get home access. It's not a question of do they have a job, it's not a question of bank approval, it's not a question of if they meet the requirements of the Housing Corporation. These are not the questions here at all. It is what do we do when we don't have any money and we're still processing these applications? The challenge is what happens to them? Do they have to wait three or four more months until we pass the next budget, which is now into April, when we've got people who could have been approved in November, December, maybe even January, but we had no money for them because it was used up, and rightfully so. It's going to the program that I think is very key to the success of getting people out of social housing and giving them the leg up.

My concern specifically is when we don't have any money for them, we're still approving their applications. Are we not putting them in a category by themselves where they're considered priorities as of April 1st assuming none of their circumstances have changed, their application hasn't been changed? Do we not consider them any type of priority whatsoever? I guess the ultimate question is, as

soon as the policy to fund these folks is out of money, why don't we just stamp their application with "we're out of money, come back April 1st"?

We're still having people applying through the banks with the hope and dream of homeownership. There are a lot of dreams put on hold because the right people are missing out on their opportunities here and I wouldn't want to be building up a false sense of hope that this program exists. Like anything, there's only a certain amount of money to go around, but what are we doing for these folks that we're still taking and scrutinizing their applications and putting them through the credit checks? It's not a question of a job, it's not a question of whether they qualify under the Housing Corporation, it's not a question about whether they have bad credit or won't get someone to help sign their loan, it's not a question of that. It's a question of the down payment this EDAP promises, but we're taking their application, scrutinizing them and approving them without any money. They fall into this little mystery zone.

Why don't we get it today that either we should be, as of today, refusing their applications, sending them back with a note to say to reapply when we have money after April 1st, or are we taking the position that they are now a priority for April 1st and when we get money we'll phone you and we're going to re-screen you to ensure you still qualify and then assuming nothing's changed from when you originally applied and we didn't have any money, we'll proceed and process your application? Madam Chair, I'm really concerned that we're building up false hope for people who are in need. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Wow, that was a lot in your last 15 seconds on the clock. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Just here in Yellowknife alone, in the budget for this year we're earmarking \$5.8 million. Again, there are other program dollars that are allocated here in Yellowknife that could be moved around. I think, like you say, when you have a major intake or you exceed that \$5.8 million, if there are additional dollars out there for IHP or a program that hasn't been allocated, that you can move that in-house in order to meet the demand. If the demand is in EDAP or IHP, you have the flexibility to move these program dollars. Again, Yellowknife, this year alone, our portion is \$5.8 million. I think people are applying. Like I mentioned, we've already helped 571 people. I think this program is working, but the key is that it gives us the opportunity to assist people with their down payment, but leverage bank financing. I think you can't lose on that. Again, we are taking applications for the next fiscal year with regard to where we're going, but it's based on the budget being approved here in the House. I believe we realize there's a major increase in the number of applications we get that we will build that into next year's budget to ensure we have more money for the EDAP program. Again, like I mentioned, there is \$5.8 million for the EDAP here in Yellowknife.

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

MR. BRADEN: Thank you, Madam Chair. In some earlier remarks I thought I heard the Minister say there is an anticipated 158 new units to be constructed this year. I'm wondering if the Minister can confirm that and give us some detail on how that number is being attained. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we are looking at, like I mentioned in my Minister's statement, expanding our single public housing units that we're spending \$6.7 million on for 36 units here in Yellowknife and other places in the Territories. Also, through the market housing initiative we're looking at 20 units. I think that the big one is, as I mentioned, the Independent Housing Program. We're looking at assisting 51 clients for 51 units in that program. Also under EDAP we're looking at assisting 39 clients. With other programs we're looking at eight more units. Again, that's how we come up with 158 units and the budget of \$33 million.

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

MR. BRADEN: Okay. This is the clarification I was going for, Madam Chair, was to try to determine how many new units are being added to the overall public or social housing inventory. I appreciate that in this number there are a lot of existing ones that are being sold to clients, which is great. Some other stuff is going on. But I'm looking at the numbers in our social housing inventory. How many units are being added on? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. With regard to social housing, we're looking to deliver 36 units. Also under the YACCS program here in Yellowknife, we're looking to deliver eight units also.

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

MR. BRADEN: Okay. Good. Thank you. Now, there are always, of course, some units that are coming off the inventory too. They're getting old, they're wearing out, they're being surplused, something like that. How many units, Madam Chair, are coming out of the social housing inventory this year? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. In regard to major repairs and minor repairs that we're looking at in social housing, we're going to put in over \$8.5 million into that, because I think one thing that we've heard and one thing that's been told to us, through our needs survey, is that we definitely need to make these repairs to our public housing to keep them at a certain standard. We also need to realize that we're running into problems with mould and other problems because of poor maintenance. I think that's one thing that I've been pushing for, as the Minister, is that we have to do better to improve maintenance for our public housing stock. We also need to ensure that the dollars are there for all communities to be able to continue this program every year. Thank you.

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

MR. BRADEN: Good information, Madam Chair, but not quite what I was looking for. What I want to understand is

that we have a certain number of units in our social housing inventory. I think the number is somewhere around 2,600. We add some every year, but some come off that inventory. As I say, they're surplused, they're obsolete, they're used up or they're sold. I want to know at the end of the day if we're maintaining the number of social housing units in our inventory, or if it's increasing or decreasing. That's what I'd like to know. What are the plans for this coming fiscal year, on a net basis, for the status of our housing inventory? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, one thing that we realized is that we do have to find ways to provide housing while realizing we have units that need to be taken offline because of the operations and maintenance costs. We also have the sale of public housing initiative, where we're selling off public housing to clients in the private sector. What we're doing is we're taking the money from these sales and putting them into new housing construction, by way of more single-dwelling units, eight-plexes, 12-plexes, and those types of housing. We realize, at the end of the day, it's more economically-efficient to operate those types of units than single dwellings. So this year I believe the number we're aiming for is 40 to 50 units, based on the 2,300 units we have in public housing. Again, it's a projected number of what we're looking at. If we can sell off 40 to 50 units and take that money and put it back into building these multi-plex structures to meet more of the needs...One thing we're finding again is that the big demand that's out there right now is for single housing. That's the initiative we're working on.

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

MR. BRADEN: Thank you, Madam Chair. Okay. I'm going to wear out a couple of shovels here getting some of this information. What I got is that we're going to add 36 new single units, plus another eight barrier-free units. I have somewhere around 44 new ones coming on. Then we're going to sell, or are projected to sell, between 40 and 50 older units. So it's sort of a wash. That's fine, I just need to know, given that some units have to come off and they're going in the right place, so we're building some. Okay.

One of my colleagues is prompting me here, Madam Chair. I'm looking for the number territory-wide. This is the information that I'm getting so far. Perhaps the Minister would like to have a go at this one more time. Is that the territorial result, that essentially our housing inventory is staying the same?

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

HON. DAVID KRUTKO: Yes, Madam Chair. We are looking at this as a territorial number. We are trying to use the selling off of public housing initiative that we do have for tenants in those units to purchase the units so they can become homeowners. The problem we have in a lot of communities is we don't have market housing. We're trying to get people to become homeowners who are in the high bracket of income, especially with the rent scales. We're trying to work with those clients to get them into homeownership. If they want to acquire the unit that

they're in, we are doing appraisals on different units in the communities so there is an appraised price for individuals who are interested and then, from there, we can either work them in through the EDAP or IHP for them to take ownership by going through the bank or whatnot to finance it. That's where we're going.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Next on the list I have Ms. Lee.

MS. LEE: Thank you, Madam Chair. I have a lot of comments to make with respect to this department. I'd like to first start off with just general comments. From where I sit, there is a lack of cooperation and communication with the Minister and committee, at least with respect to one issue. That has to do with the market housing initiative. Madam Chair, I have to tell you that it has been a completely frustrating exercise and I need to say that the fact that the Members on this side are very critical about one issue is not to say that we consider the whole department a failure. We don't use those words very lightly. We mean that when we say that we are very unhappy with the way the market housing initiative was designed and implemented. I'm sure the Minister has done a lot of good work in other things and I know that the department has a lot more on their books than the market housing initiative. But I tell you, Madam Chair, the committee has been communicating with the department and the Minister over and over and over. In detailed letters we've asked for briefings, we've made so many suggestions. Talk about a Minister with cotton balls in his ears. I am not impressed. I have to tell you that I worked with the Minister on this side. He was always very passionate about the responsibility of Ministers to respond and listen to Members. For many areas, he's good at that. For some reason, he is completely unresponsive to this issue and I don't know why that is.

Madam Chair, the corporation is responsible for over \$100 million. This is a \$2 million project. In the grand scheme of things, it's not the biggest deal. The only thing the Members on this side and the Social Programs committee have been asking is, let's have some discussion about this. We had this right from the beginning. When Mr. McLeod brought this to the Social Programs committee, we knew from the get-go that this was introducing something totally new. The department's overview said that. The goal was to introduce a housing market in non-market communities. I mean, that is an audacious and ambitious plan. It was fraught with possible problems. We asked questions like, are you sure the communities are ready? What kind of legwork have you done? How do you know people want to buy these houses? We were assured, I can tell you, I can remember it like yesterday, officials whose names I'm not going to mention looked right at us and said yes, we're ready, we've talked to them, we'll do the legwork, we'll talk to LHOs and LHOs are going to go out there and they're going to do their promotion and we're going to make this work. It has to work. We can't have teachers and we can't have nurses if we don't do this. Please, we have to waive the business incentive policy. Just give us the benefit of the doubt. We just have to do it and if you say no to this, you're stopping progress, you're stopping history, you're going to make these professional people homeless.

We let this go and as early as October we wrote a letter to the Minister calling this project a total boondoggle. We needed more information. We were calling for an independent review back then, but we got to thinking that

when they had only five units out of 22 being occupied at that time, we knew this was going to be a problem. We asked for post-mortem back in October, in November, in December, in January. We couldn't get one iota of information and now we're told we really don't care what the Social Programs committee thinks because we're going to do this anyway. We really don't care about the fact that we have completely failed in our exercise. We don't even think that we need to review to see what went wrong.

You know what? I take my job here more seriously than to just say it's just \$2 million, go and see what you can do with it. If you want to buy 22 mobile homes, that's great. The first 22 didn't work out. Well, that's great. We will give you another \$2 million and see how successful you get. The reason we got at the end of January in the last draft main briefing as to why they could not give us a post-mortem was that they were still waiting from a response from the Department of Health and Social Services and Justice and, I guess, Education about how many teachers they are expecting to have in communities who might be interested in this. They were relying on the deputy minister's letter as a guarantee. That was as far as they were going to get in writing that would assure them these units were going to be taken.

I just don't think that's enough. I have to say, Madam Chair, when I am totally this critical about an initiative, it's not being critical about the Minister or officials personally. I understand that they are all professionals and they spend a lot of time doing their work, but surely I need to be able to be critical about an initiative that the government has brought forward that is completely new. It's completely innovative and it's part of a 10-year plan that was completely derailed in the first year. Apparently, we don't have any say on this side of the table to say maybe that wasn't such a great idea. Maybe it wasn't such a great idea that you are lifting the housing market. Maybe we should think how we could spend that \$2.2 million better. The Members suggested we could build multi-plex units. We have Members who suggested mobile homes are not a good thing for social housing, for example. The Minister even said in one of our hearings, give us money, we'll do it, if it doesn't work, we will just use it as social housing.

I don't know. Maybe because the Housing Corporation only gets half of their money from the GNWT, maybe they shouldn't even come before us. If we aren't going to have any say on how the new initiatives work and how they should be rolled out, then why do we get asked? Why are we wasting our time?

Anyway, I have to tell you, talk about a Minister who is completely defending the department's position, not listening to Members, not working with the committee. I can tell you I am sorely disappointed with the way the Minister has responded to this issue. I am being critical of this initiative, not of the person or anything. It's just I am not impressed with this. I am only asking the Minister to open up and listen to what we have been saying and we have been saying it for six months at least. Will the Minister change his mind about this? Thank you.

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

MR. KRUTKO: Thank you, Madam Chair. I would just like to inform the House that I have been cooperating with

the committee. I have shared all the information I have had access to. We have done briefings with the committee. I kept you up to date on where those units sat. Also, with regard to our implementation report on phase one, we could not deliver it because we did not conclude the construction and the complete phase of the project until the middle of November.

With regard to the time that was expected, I made it clear to the committee, at the time, that I would be reporting back after the phase two evaluation was presented to Cabinet. Once that was approved, I presented it to committee.

Also, I have been working with Members to try to get to the bottom of a lot of these problems. We are expecting to do a project that, in most cases, because you are dealing with logistics and isolated communities, housing projects usually take a year. We did something in less than six-and-a-half months. The majority of those units weren't ready for occupancy until almost October or November. In this case, a lot of people in those communities who were asking for these units found other accommodation.

We are working with those communities. We have put out calls to communities to ensure that we are open to other interested parties. The majority of the communities that we have these units in right now have requested, either through homeownership or working with the professions who are coming to communities, to have an opportunity to acquire these units. When they were there prior to this, they had to leave because there was no accommodation. We are seeing that.

We are also working closer with the departments to ensure that that information is out there. The bottom line is you are dealing with a challenge where you can't just drive up to a subdivision and pick which unit you want. You have all these logistical problems of getting these into communities. You have land development problems, transportation problems and ensuring that it is affordable.

I would just like to elaborate on the fact that now we are in the process of talking with the communities. We have interest in almost every community to purchase these units, either through the private sector or other departments like RWED or MACA. If anything, the whole idea is to develop a market in communities where there never was a market. Now people have an option and they didn't have that before. In most cases, communities such as Norman Wells and also Rae-Edzo and other communities, we are developing capacity in those communities, so we can accommodate professions who are looking at a health board for the Sahtu region. Where are they going to go?

Also with regard to the Tlicho agreement, they have to build capacity. One of the challenges we face is the need to be able to develop a market which isn't there right now. We have been working with those different organizations such as the Sahtu health board because they are the ones who are requesting more units in those communities.

It's important that we don't lose sight that there are other professions in our communities who now have an option that was never there before. I don't think we can exclude the idea that now we have 66 beds in communities that we didn't have a year ago.

A concern that I have is I have been open with the Members and I have been responding to any information requested by the committee. The report was done, the evaluation was done and we admit there have been mistakes, but trying to do a project which takes a year in six-and-a-half months, if anything we should be praising the department for making that go. I guess it was wishful thinking to deliver those before September 1st, but that didn't happen. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Next on my list I have Mr. McLeod.

MR. MCLEOD: Thank you, Madam Chair. I just have a few general comments. I like the idea of the EDAP program. It allows people to get into units a lot younger than they would normally in the rest of Canada. The old HAP units that they used to have, everything was supplied and they were supposed to supply the labour. Then they started applying for funding, so it ended up that they didn't have any money being put into it and the corporation isn't recovering any money out of that. With the EDAP program, they seem to be recovering some of the money that they are getting.

We made a comment before about the maintenance being poor with some of these units and the mould and everything. Having worked in maintenance, I sort of take offence to that. There is still a soft spot for all the maintenance boys who used to crawl around and thaw out frozen sewage tanks. A lot of these houses were hard to maintain because they were so flippin' old. One particular set of units we tried renovating, then and we started taking them apart and we found out it was the third renovation they were going through. I believe there were nine of them written off in Aklavik and they are being replaced.

I applaud the corporation for trying to make a go to supply market housing for people who are coming into the communities. I don't know if it should be in the corporation mandate or in the respective employers such as Health and Social Services or Education for teachers. I do applaud you for trying to fill a need, but I don't think that should be your mandate.

I made a statement the other day, saying I believe housing should stick to its original mandate to provide public and affordable housing. I really like the EDAP program. You still will recover some money out of it. The potential owners will still put a lot of their own money into it. They will have to pay for it.

We used to have an old program called the R and R program. I don't know if you are familiar with that. It was the Rural and Remote Program. There was this one particular lady in Aklavik who paid faithfully on her mortgage for 25 years, but halfway through the 25 years, a new program came out where everything was supplied. So we tried to get her mortgage forgiven because so many loans were being forgiven; we thought it could work for her, but it didn't. She ended up paying quite a bit of money.

With the trailers, you get the trailers from down south. I realize stick-built would be a bit more expensive going into the communities and trying to put in market housing, but they would provide contracts for local contractors and put some of the local people to work, so the money would stay here.

Apartments or townhouses might be a better idea where you have central heating, central water, central sewage, especially in some of the smaller communities.

Those are all the comments I have for now, Madam Chair. Thanks a lot.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. I would like to thank Mr. McLeod for his comments and also for his expertise in this area. In the areas he touched on, no offence to Mr. McLeod, but with regard to the maintenance improvement programs, we realize there has been very little dollars put into this area. Because they had to apply year by year, some years they got it, some years they didn't. Now because we put such an influx of dollars into the major/minor repair programs, now all communities will be able to access it and deal with the challenges you mentioned of having a lot of old units we have acquired through the federal CMHC program and social housing. We are dealing with facilities that go back 30 or 40 years, like you said. Then you talk about Weber houses, HAP, EDAP and the remote program. It has devolved over time, yet those units are still in those communities and they still are requiring our assistance to keep them at a certain standard or continue to put the band-aid on top of another band-aid. You end up doing repair program after repair program after repair program and not really doing the job that's necessary.

From where we are going, we realize now that these units are almost at the end of their life and we have to look at possibly taking down the units. You mentioned condominiums. One thing we realize, as a corporation, because there is such a demand on social and public housing, we have to build multi-plex units just to try to keep up with today's demand.

With regard to the market housing initiative, we are working in partnership with the private sector to look at the ideas of condominiums or multi-plex structures. Like you mentioned, having a central heating system and a central boiler system brings down the cost of operating those units. That's what we are doing in phase two. We want to ensure we are open to these new ideas, but also developing a business around it to partner up with the private sector and work with the communities to ensure that we are able to meet the goal that was set.

With regard to the mandate of this initiative of market housing, the mandate was given to the corporation from the Department of Finance, because of the whole concern that was raised during the 14th Assembly. We had a lot of programs directed at communities. What we were seeing is we were not seeing people able to fulfil those commitments under those programs that this government put forward, where communities just could not deliver these programs that were universal across the NWT. It's important that we be open minded on how we take this approach. We are working in partnership with these other partners.

The program you touched on, that is something we have to continue to develop, is the whole idea of sweat equity. We used to have the old HAP units where people went out of their way, got their logs, brought them in and then we gave them the materials to complete it, such as SHAG and other programs. I think those types of programs are

still needed, where people want to have that independence and build their own home. Then they can say, at the end of the day, you aren't tied to a bank, you aren't tied to a mortgage. It's yours. You built it and put sweat equity into it and you have total control of it. What we are seeing in our communities is people who have always had that independency find it very hard to go into social housing and also public housing. Thank you, Mr. Chairman.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Anything further, Mr. McLeod? Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Sorry, sorry. I didn't realize that Mr. McLeod had anything further to say. Mr. McLeod, you have the floor.

MR. MCLEOD: Thank you, Madam Chair. I apologize for that. One other comment I would like to make and again it's regarding maintenance and everything that I have seen and I find that maintenance is being cut. It seems like administration is going up. It should be the opposite way around, because they are having to maintain older units. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as I mentioned earlier, we are putting a major focus on maintenance. We are putting \$8.5 million into that area. We are looking at changing the structure of the organization and, because of that, we are spending more time with the local housing authorities or regional offices to give them more tools to be able to deliver the programs and take the decision-making process closer to the communities and closer to the region and giving them more resources. By taking on the responsibilities, we are allowing them to keep a larger portion of those revenues that they have taken through collections on mortgages. That way, we can give them more resources.

Because of the major concerns we have seen, we have put an influx into homeownership programs and emergency repair programs. It's important that we realize that, looking at our needs survey, those are the majority of the needs that we are seeing. Because of the reports that have been concluded, that is the direction we are taking. We are trying to meet some of the core needs in a lot of our communities. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Next on the list for general comments I have Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Madam Chair. I would just like to move that we report progress.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Villeneuve. The motion is in order. It's not debatable. All those in favour of the motion? All those opposed? The motion is carried. Thank you, committee. Thank you, Mr. Krutko, Mr. Anderson, Mr. Koe. I will now rise and report progress.

MR. SPEAKER: Can I have the report of Committee of the Whole? Mrs. Groenewegen.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 19, Appropriation Act, 2005-2006, and Committee Report 11-15(3), and would like to report progress with one motion being adopted. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Do we have a seconder? The honourable Member for Mackenzie Delta, Mr. Krutko. There is a motion on the floor. The motion is order. All those in favour? All those opposed? The motion is carried.

---Carried

Item 21, third reading of bills. Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Mercer): Orders of the day for Wednesday, March 2nd, 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. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motion for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 17, Modernization of Benefits and Obligations Act
 - Bill 19, Appropriation Act, 2005-2006
 - Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005

- 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

- Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election

- Minister's Statement 86-15(3), Northern Strategy

- Minister's Statement 88-15(3), Update on Oil and Gas Development in the NWT

- Minister's Statement 89-15(3), Community Leaders' Conference Report: Preparing for the Pipeline

- Minister's Statement 90-15(3), Social Impacts of the Mackenzie Gas Project

- Minister's Statement 91-15(3), Preparing for the Mackenzie Gas Project

- Tabled Document 108-15(3), Nation Building: Framework for a Northern Strategy

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, March 2, 2005, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 7:43 p.m.

