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The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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TABLE OF CONTENTS

PRAYER	25
MINISTERS' STATEMENTS	25
3-15(4) - FISCAL UPDATE.....	25
4-15(4) - GNWT ACTIONS TO SUPPORT MACKENZIE VALLEY PIPELINE PROJECT	26
5-15(4) - PREPARING FOR THE PIPELINE: FINANCIAL SUPPORT TO COMMUNITY GOVERNMENTS	26
MEMBERS' STATEMENTS	27
MR. YAKELEYA ON BAN ON OVERPROOF ALCOHOL NEEDED.....	27
MR. POKIAK ON CONCERNS OVER UNCERTAIN PIPELINE FUTURE	27
MR. VILLENEUVE ON CONGRATULATIONS TO ARCTIC COLLEGE GRADUATES FROM TU NEDHE.....	28
MR. BRADEN ON RELOCATION OF THE TERRITORIAL TREATMENT CENTRE TO HAY RIVER.....	28
MRS. GROENEWEGEN ON IMPACTS OF THE CLOSURE OF THE SOUTH MACKENZIE CORRECTIONAL CENTRE REMAND UNIT	28
MR. HAWKINS ON EXPANDED DOWNPAYMENT ASSISTANCE PROGRAM CONCERNS	29
MR. RAMSAY ON PRINCE OF WALES NORTHERN HERITAGE CENTRE RENOVATIONS	30
MR. MENICOCHÉ ON LACK OF SUPPORT FOR THE FORT SIMPSON SUMMER STUDENT PROGRAM.....	30
MS. LEE ON CITY OF YELLOWKNIFE "HETEROSEXUAL DAY"	31
MR. ROBERT MCLEOD ON SUPPORT FOR THE MACKENZIE VALLEY GAS PIPELINE	31
RECOGNITION OF VISITORS IN THE GALLERY	32
ORAL QUESTIONS	32, 44
WRITTEN QUESTIONS	47
TABLING OF DOCUMENTS	47
NOTICES OF MOTION FOR FIRST READING OF BILLS	47
BILL 10 - AN ACT TO AMEND THE INCOME TAX ACT	47
ORDERS OF THE DAY	48

YELLOWKNIFE, NORTHWEST TERRITORIES**Thursday, May 26, 2005****Members Present**

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

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Members, for your information, the first hour-and-a-half of our session today will be interpreted in South Slavey.

Also, I would like to draw Members' attention to the gallery today. There is a very enthusiastic group of teachers, parents and chaperones up there from Grade 6 classes from Hay River. Welcome to the Legislative Assembly. I hope you enjoy the proceedings.

---Applause

Orders of the day. Item 2, Ministers' statements. The honourable Minister of Finance, Mr. Roland.

ITEM 2: MINISTERS' STATEMENTS**Minister's Statement 3-15(4): Fiscal Update**

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I would like to take this opportunity to update Members and NWT residents on this government's fiscal position and outlook.

When I presented the budget in February, we were looking at a fairly positive fiscal situation, both in the short and long term. At that time, we forecast a 2004-05 year-end operating surplus of about \$44 million, primarily the result of the increases to our formula funding grant and federal health transfers arising from last fall's First Ministers meetings.

Despite receiving these additional funds, our interim public accounts will show an \$18 million deficit for the year 2004-05, as a result of retroactive changes to corporate income tax entitlements, along with booking a liability for the Giant Mine remediation.

The corporate tax changes relate to a refund to a company filing an amended corporate tax return for the 2000 tax year, claiming subsequent offsetting capital losses against previous income. This claim is expected to reduce GNWT corporate taxes by \$36 million. Given that the federal government has been the primary beneficiary of previous large corporate income tax windfalls, we believe it is incumbent on Canada to compensate the GNWT for this lost revenue. If we receive a positive response to our claim to Canada, we will reflect this in an upward revenue adjustment on the grant side. At this time, however, our accounts must reflect the lower tax revenue.

The second issue relates to the conclusion of a cooperation agreement with Canada respecting the Giant Mine remediation project. This agreement means that we will be accruing a liability of \$23 million to reflect the

GNWT's share of the liability of this remediation. Approval for this expenditure will be sought in a supplementary appropriation.

These are both one-time events which will not affect future fiscal years' revenues or expenditures, although the reduction in CIT will have a temporary effect on tax revenues in the next few years as it works through the federal process of tax estimates and adjustments.

Mr. Speaker, on the positive side, our current outlook for the present fiscal year is only marginally lower than the February forecast.

We continue to face the same uncertainty, however, regarding our fiscal arrangements with Canada that I outlined in the budget. New rules for formula financing after 2005-06 will not be established until after the federal Expert Panel on Equalization and Territorial Formula Financing provides its recommendations. The panel is scheduled to report in late 2005. In addition, we are still discussing the terms of a resource revenue sharing arrangement with Canada and the Aboriginal Summit. Until these issues are resolved, we cannot predict with certainty our revenue levels or how economic growth will affect our fiscal situation.

There are many outstanding federal-territorial issues, in addition to formula financing and resource revenue sharing, which will affect our fiscal situation and our ability to pursue our goals. These include the need to deal with the social and economic impacts of development on our residents and our communities, the need to change the borrowing limit, the negotiation of federal gas tax funding for communities, and many more.

Mr. Speaker, our fiscal relationship with Canada is at a critical point. Canada must recognize that if we can make progress on these issues in ways that reflect the unique circumstances in which the Northwest Territories finds itself, we can make lasting changes that can permanently improve the quality of life for NWT residents and benefit Canada as a whole.

The revenue and expenditure changes I have just discussed today do not warrant change to our basic fiscal strategy. We will continue to pursue the fiscal responsibility policy I outlined in the budget in February. Our territory's economic prospects remain strong. The recent decision by De Beers to proceed with the Snap Lake diamond mine will support strong economic growth in 2005 and 2006. We remain optimistic that the Mackenzie gas project will proceed on schedule.

Mr. Speaker, we will continue to follow the path outlined in the budget. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Roland. Item 2, Ministers' statements. The honourable Minister of Industry, Tourism and Investment, Mr. Bell.

Minister's Statement 4-15(4): GNWT Actions To Support Mackenzie Valley Pipeline Project

HON. BRENDAN BELL: Thank you, Mr. Speaker. Mr. Speaker, I am pleased to provide the House with an update on the Mackenzie gas project. On April 27, 2005, Imperial Oil Limited, on behalf of the Mackenzie Gas Producers Group, announced a shift of attention from engineering studies to an increased focus on the pressing regulatory issues associated with the proposed Mackenzie gas project. The producers group also expressed the view that the economic demands in access and benefit negotiations were beyond the scope of what properly constitutes those agreements.

The producers group also made it clear that they expected the federal and territorial governments to address socioeconomic impact requirements along the pipeline route. Mr. Speaker, we are in the process of doing that. GNWT and aboriginal leaders have asked the federal government to provide funding to deal with socioeconomic needs in the Mackenzie Valley. We have received a commitment from the Deputy Prime Minister and other federal Ministers that they will provide funding to do this and we are now working to determine an appropriate amount.

Mr. Speaker, we have also taken steps to support communities in this process. The GNWT is sponsoring three regional social impact workshops in Fort Simpson, Norman Wells and Inuvik in late May and June.

---Applause

The workshops will allow residents to discuss socioeconomic concerns and help identify the best ways to deal with impacts.

Mr. Speaker, we are optimistic that the successful resolution of the socioeconomic issues surrounding this project will allow aboriginal organizations and the Mackenzie Gas Producers Group to work towards a successful conclusion of the access and benefit agreements.

While the proponents did defer some work on the project, the regulatory process continues and so do our efforts in this area. Through the Mackenzie Valley pipeline office, our departments are working together to identify impacts and solutions. The GNWT is also fully engaged in the regulatory review. Our departments are working together with both the National Energy Board and the Joint Review Panel processes to ensure the interests of the Northwest Territories are protected.

The GNWT also recently announced \$1.3 million to help communities plan for the Mackenzie gas project. My colleague, the Minister of Municipal and Community Affairs, will provide the House with more details on this initiative later today.

Mr. Speaker, the GNWT has taken a number of important steps to facilitate the effective development of the Mackenzie gas project. We continue to believe the project will provide many positive benefits for the territory, but most importantly this project will benefit our residents and

provide opportunities that would not otherwise exist. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Bell. Item 2, Ministers' statements. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

Minister's Statement 5-15(4): Preparing For The Pipeline: Financial Support To Community Governments

HON. MICHAEL MCLEOD: Mr. Speaker, community governments in the Mackenzie Valley are facing many challenges in preparing for the proposed Mackenzie gas pipeline project.

As well as getting ready for the complex review process involved with the project, community governments also need to plan for impacts that this project and the exploration and development activity associated with the pipeline will have on their communities.

Minister Bell and I heard this message loud and clear at the Preparing for the Pipeline Community Leaders Conference sponsored by the Department of Municipal and Community Affairs in Inuvik last December.

We heard this message again at regional workshops in the Deh Cho and during meetings with community leaders over the winter and spring.

In response to concerns raised by community governments and by Members of this Assembly, I am pleased to inform the Assembly that the Government of the Northwest Territories has recently approved new funding for community governments to prepare for the pipeline.

---Applause

Community governments will receive nearly \$1.3 million this year to assist in assessing the impacts of the proposed pipeline, and to prepare strategies to maximize benefits and minimize any potential negative impacts.

The Department of Municipal and Community Affairs will provide \$20,000 to 21 communities affected by the pipeline to assist in preparing their communities for the regulatory review process. To date, all but two of the eligible community governments have applied for this funding.

Further funding of up to \$30,000 per community will be available to review proposals, assess impacts, negotiate community access agreements and undertake general planning and preparation. Community governments eligible to apply for this extra funding include the 21 affected communities and Yellowknife, which is an intervener in the review process.

Mr. Speaker, the Government of the Northwest Territories is of the view that all communities may experience some impacts from the project. Therefore, we have made up to \$15,000 available to each of the remaining 11 community governments in the Northwest Territories to help them review, plan for, and assess any potential impacts or opportunities for their community as a result of the pipeline construction.

We have also secured funding for some essential support work. This work includes two more regional workshops planned for the Sahtu and the Beaufort-Delta regions, and funding to assist community governments to research and analyze common issues. This research and assistance may include engineering, infrastructure and legal research and advice.

Mr. Speaker, the Government of the Northwest Territories recognizes that community governments need support to better participate in the review of the environmental impact statement and the regulatory review process. Communities must be able to address capacity shortfalls that could result from the added workload associated with preparing for the pipeline. On behalf of my colleagues, I am pleased to announce that the government will provide this support. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Item 2, Ministers' statements. Members, before we go to the next item, I would like to inform Members that as well as South Slavey interpreters today, we also have Ticho interpreters for the first hour-and-a-half.

---Applause

Item 3, Members' statements. The honourable Member for Sahtu, Mr. Yakeleya.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Ban On Overproof Alcohol Needed

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, we all know the devastating addiction problems we are having in the Northwest Territories. Addictions are ruining our communities and our homes. Alcohol is one of the worst addictions in our communities. With alcohol, we don't have to find someone to sell it to you. You don't have to search in back alleys, as it's always available in communities. In fact, in magazines and on television, they encourage you to buy it and buy a lot of it because they say it will make your life better and you will have more fun with it. Well, they couldn't be more wrong, Mr. Speaker. I may not be able to get all the alcohol banned from the Northwest Territories, but I would like to see overproof banned from our liquor stores.

Mr. Speaker, regular alcohol is 40 percent proof, but overproof alcohol can be as high as 160 percent. We shouldn't consider it a legal substance. Transport Canada has already labelled overproof alcohol as a dangerous good. Why can't we do that with liquor in the Northwest Territories? When people get hold of overproof alcohol, they don't realize how dangerous it could be to them and their families. It's easier to smuggle into communities than beer or wine, which means people get addicted to the real hard substance. They build a tolerance to this level of alcohol and they need more and more to get high.

Alcohol is a controlled substance. We have the power to stop the overproof alcohol from being sold here in the Northwest Territories. Mr. Speaker, I want to ask the government to put into some sort of legislation that overproof alcohol will be prohibited from the Northwest Territories. Thank you.

---Applause

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

Member's Statement On Concerns Over Uncertain Pipeline Future

MR. POKIAK: Thank you, Mr. Speaker. Mr. Speaker, it's good to hear the Minister of MACA make a statement this morning with regard to the pipeline.

Mr. Speaker, since the announcement of Imperial Oil Limited, on behalf of the proponents of the Mackenzie gas project, to suspend future technical work along the Mackenzie Valley, there have been aboriginal groups, business people and people in general concern about the future of the proposed pipeline along the Mackenzie Valley.

Many people, Mr. Speaker, in the Beaufort-Delta are concerned and so they should be. Owners of small businesses are trying to decide whether to make any future investments to get ready for the pipeline in light of the uncertainty.

Mr. Speaker, some aboriginal groups consider this as a threat by Imperial Oil to have their own way, but let me tell this government we should not take this announcement as a threat but as a wake-up call for the federal government to respond to the concerns raised by our government and the aboriginal groups for funding to address the social and infrastructure needs of the Northwest Territories.

Mr. Speaker, I have worked for industry before and if we think Imperial Oil and their partners are just talking the talk, let me tell you they will pack up just like in the mid '70s and early '80s if the federal government does not respond to these concerns.

I have been to many meetings in the Beaufort-Delta, Mr. Speaker, representing both aboriginal groups and municipalities over the last 30 years. Many times issues such as lack of schools, community halls and roads in small communities were raised by individuals. Today, Mr. Speaker, these same issues are being raised by communities, in particular when proponents are in attendance. Communities always request industry to provide money for these infrastructure requirements. The industry's response has always been that it is the government's responsibility, and they continue to say that. This is where I agree that government must step up to the plate and address the needs and concerns of the communities.

Mr. Speaker, if the Mackenzie gas project does not become a reality or should be delayed, I will continue to be relying on the federal government for a handout. Mr. Speaker, I would like to request more time to finish my statement. Thank you.

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

MR. POKIAK: Thank you, Mr. Speaker. It is important that we have an agreement-in-principle for the resource

revenue for the diamond mines and petroleum projects should the pipeline become a reality.

In closing, Mr. Speaker, I urge this government to respond to the concerns raised by the aboriginal groups and municipalities and general public for the needed funds to address the social impacts and infrastructure needs of all the Northwest Territories' communities. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Congratulations To Arctic College Graduates From Tu Nedhe

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, today I rise to proudly mention some educational achievements within the NWT and, more specifically, within my constituency of Tu Nedhe.

I attended the Aurora College Thebacha Campus convocation on April 18th in Fort Smith last month to celebrate with and congratulate 11 of my constituents that have graduated from four different programs.

Mr. Speaker, I'd like to extend my congratulations to Eliza Beaulieu, Jennifer Beaulieu, Doris Catholique, Helen McCallum, Jill Rymer, Eva Villeneuve and Loretta Edjericon for the completion of the Home and Community Support Workers Certification Program.

I'd also like to congratulate Suzanne Boucher and Kara King for receiving their management studies certificates, and John Catholique of Lutsel'k'e for his achievement in attaining his diploma in social work.

And last, but not least, my congratulations go out to Carol-Ann Chaplin of Fort Resolution for receiving her management studies diploma. Ms. Chaplin is also the 2005 Aurora College class valedictorian for this special occasion.

Mr. Speaker, I want to express my sincere pride towards all these graduates of Tu Nedhe, and especially to Loretta Edjericon, who exemplifies the importance of determination and perseverance required to fulfill one's goals. As she is considered an elder in my community of Deninu Kue, she has definitely shown all who were present at the ceremonies that you are never too old to formally start educating your mind. There's an important message to all the students in the gallery.

SOME HON. MEMBERS: Hear! Hear!

---Applause

MR. VILLENEUVE: With that, Mr. Speaker, I look forward to attending more celebrations of achievement by my constituents of Tu Nedhe, and I again say kudos to Loretta Edjericon on your achievements and congratulations to all the Tu Nedhe graduates of 2005. Mahsi, Mr. Speaker.

---Applause

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

Member's Statement On Relocation Of The Territorial Treatment Centre To Hay River

MR. BRADEN: Thank you, Mr. Speaker. Part of our work here requires that we make tough decisions. Along with that responsibility and expectation, Mr. Speaker, comes the essential, the absolutely essential need in this House that we also have tough consultations to help make those decisions good ones that we can all accept and can all work with.

Mr. Speaker, in the matter of the relocation, the government now says done deal to move the Territorial Treatment Centre from Yellowknife to Hay River. We were denied that essential, that very essential expectation of coming to us and talking to us and helping us make sure that we have a hand in making decisions as difficult as this that affect the lives and careers of employees and families and children who are going to be disrupted in this.

Mr. Speaker, I'm going to continue to demand, on behalf of constituents, people here in Yellowknife, the families and the workers, that we are given this opportunity. Too often, Mr. Speaker, Members on this side of the House are treated casually, I would say sometimes disrespectfully, when it comes to getting our views on various actions; and then on the basis of only the most casual, cursory discussion, decisions are made. This is not how consensus government is going to succeed. In fact, it may be one of the things that causes its downfall, because this side of the Assembly has got to be able to represent our constituents as fully as possible and the government cannot decide arbitrarily to sidestep that.

I am going to continue, Mr. Speaker, to demand that that obligation be fulfilled on this matter and every other issue that comes along. When tough decisions are required, let's have those tough consultations. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Impacts Of The Closure Of The South Mackenzie Correctional Centre Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, yesterday I said that I wanted to follow up on more detail about the effects of the closure of the remand unit at the South Mackenzie Correctional Centre in Hay River. We knew that there would be a reduction in shifts available for casual employees. We knew that the number of indeterminate positions would be reduced by five if when they became vacant through attrition, and we knew that the projected savings of \$400,000 was not realistic. What wasn't quantified was the consequential effects that weren't fully anticipated or wouldn't be realized until the actual change in operations took place. These are the ones which we are becoming more aware of now and they are the ones that I want to talk about today.

I was assured during the budget session that the holding and transporting of inmates was not going to negatively impact RCMP detachment budgets, and I didn't accept that then and now I'm starting to hear how this is playing out. In a detachment like Hay River, where cells might have normally been occupied for four or five days a month with the accompanying staffing on-call guards, now there's only four or five days a month when the cells at the RCMP detachment aren't being used for remanded persons in custody. There have been some recent arrests where there have been five people charged at one time around some well-publicized drug cases.

I've recently learned that these inmates being transferred on scheduled flights on commercial carriers, that there's a rule pertaining to their transportation, and that is being that one officer cannot be responsible for more than two prisoners. This is a good and understandable rule, but one that will cost the RCMP more money to transport inmates to and from Yellowknife. I don't believe that these additional costs paid for from detachment budgets are not going to affect the delivery of policing services at the community level, not to mention the fact that there is going to be a decreased presence of RCMP members in our community at any given time.

Another bit of feedback that has come in is how remand inmates being located in Yellowknife is affecting the JPs' court scheduling. JPs are being pressured to plan their schedules and disposition of charges and cases around the convenience of getting the accused back and forth to Yellowknife. Now, this is not a very good way to run a justice system.

Another impact of the remand closure, that I hope and pray this government doesn't have to face, has to do with safety of prisoners who may attempt self-destructive measures while incarcerated. The staffing...

MR. SPEAKER: Mrs. Groenewegen, your time for your Member's statement has expired.

MRS. GROENEWEGEN: Mr. Speaker, I would like to seek unanimous consent to conclude my statement. Thank you.

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

MRS. GROENEWEGEN: Thank you, Mr. Speaker, and thank you, colleagues. The staffing of the remand unit in Hay River and the additional staff to watch them had everything to do with an internal report and a coroner's inquest into the suicidal death of an inmate in custody at SMCC. I don't believe that that report and the recommendations of the coroner were sufficiently considered when this cost-saving initiative was contrived by the former Minister.

I think it would be in the government's own interest to ensure that we have not inadvertently put ourselves in a situation where responsibility for, God forbid, another such incident could be directly blamed on these changes.

I would like to see the changes in remand in Hay River re-examined in view of a more rigorous analysis taking into account three things, Mr. Speaker: the recent number of inmates remanded in custody; the examination of the

impacts on RCMP manpower, programs and budgets; and consultation with judges and justices of the peace south of the lake. I will be asking the Minister of Justice about this in question period. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Expanded Downpayment Assistance Program Concerns

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I rise today with serious concerns regarding the Housing Corporation and how it is running its EDAP program. That is the Expanded Downpayment Assistance Program.

Mr. Speaker, first and foremost I am really glad to see that we are putting people into home ownership and I think that is the bottom line that I really like to see. However, there are serious concerns in regard to how we treat our down payment. We are now treating it as a big handout as opposed to the help-up that I have always believed it should be.

Mr. Speaker, I posed some sound questions to this Minister to get some clarification. I went to his office and I said can you help me understand why we are giving big down payments out? Can you give them to me internally? Maybe even in private? But no, I was refused answers, so I am now forced to ask them publicly for public clarification.

Mr. Speaker, to make my point clearer; one person in particular received \$72,000 as a down payment in the Downpayment Assistance Program. I can't think of anything to say other than this is completely out of touch for what is considered reasonable. Is \$72,000 reasonable for down payment assistance? It concerns me. I don't think that is fair. Seventy-two thousand dollars is totally out of perspective. It often reminds me of what a friend of mine says; some things just ain't right, and to me that ain't right.

The Downpayment Assistance Program to me, Mr. Speaker, means \$5,000, \$10,000, \$15,000, maybe even \$20,000 to help a person on low income to get into home ownership. Seventy-two thousand dollars, again, is completely out of touch. Mr. Speaker, I did an average of the 14 contributions in the city of Yellowknife and it was an average of \$33,000. That is a lot of taxpayer money, where the lowest on the list of 14 was \$6,500.

Mr. Speaker, I imagine that the person who received \$6,500 was completely thankful to the government; they probably loved them. But \$72,000 seems a little out of touch.

Mr. Speaker, to further emphasize this point; for new construction, someone was given \$109,000 to build a house from our housing program. Doesn't that seem out of touch? As far as I am concerned, that just doesn't seem right. It took my wife and I five years to save \$25,000 and we were really proud of that, so \$109,000, Mr. Speaker, to work out into taxable income is a lot of money. That is all I can say. Mr. Speaker, I seek unanimous consent to conclude my statement.

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

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I was seeking clarity into the situation of why someone would receive \$72,000. Is our goal as a Housing Corporation, is the government trying to make sure that they only pay a \$200 a month mortgage? I don't know. Those are the kinds of questions that I was asking the Minister.

The program is based, if you read their web site, on a sliding scale. What is that sliding scale? A lot of the applicants that I have spoken to who have received money don't even know how much they are getting until the day the cheque is cut, at the end of the process. Mr. Speaker, what I am asking for is some clarity. We need some clear-cut charts; we need some graphs; we need some statistics; we need some openness, honesty and transparency on this.

By the way, five or six people out of these 14 people received over \$50,000 in assistance from the Housing Corporation. Again, this is sort of out of touch and, like I stated, as my friend says, that ain't right.

Mr. Speaker, later today I will be asking for clarity; absolute clarity from the Minister responsible for the Housing Corporation. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Prince Of Wales Northern Heritage Centre Renovations

MR. RAMSAY: Thank you, Mr. Speaker. I would like to speak today about a vital piece of our tourism product here in the Northwest Territories. Built in 1979 and named after the Prince of Wales, our Prince of Wales Northern Heritage Centre is an absolute cornerstone of the tourism products that we have to offer. On the eve of what is looking like a very busy summer season, I am very concerned and alarmed that the centre sits in the state that it sits today.

As a young man I used to work at the centre and I have always held the centre in the highest regard. I have a great deal of respect and admiration for all of the staff that work at that centre. My concern is that I don't believe we are giving the centre the resources to conclude the renovations currently underway. We have booked \$8.5 million for renovations and it seems to be never ending, Mr. Speaker.

It has been difficult on staff and it is difficult on the visitors. I can understand and appreciate the difficulties in having renovations taking place and the fact that not all of the exhibits and galleries can be open to the public. However, not unlike any other citizen of this city, when I get relatives in town to visit, the first place I want to show them is our world-class museum.

A few weeks ago I took my uncle to visit the museum. I was shocked that not only were the north and south main

galleries closed, but also the aviation gallery was locked and being used as a storage area. I started thinking about just how many other people were being denied seeing all the fabulous artefacts and displays that were in these galleries. Why would we shut down three galleries at a time? Of course, I know it is going to be better when it is all done; but why is it taking so long?

With the completion of Highway No. 3 getting close to being done, we will see an increase in road traffic this summer and also Yellowknife is gearing up to play host in July to the Assembly of First Nations national assembly which will bring thousands of visitors to our city. If the museum is in the same state today as it was when I was there a few weeks ago, something has to be done.

In addition to the galleries being shut down, the carpet in the main public areas is in serious need of replacement. I will ask the Minister some questions about the renovations and what the plans are for the facility going forward at the appropriate time. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Lack Of Support For The Fort Simpson Summer Student Program

MR. MENICOCHÉ: Mr. Speaker, mahsi cho. (English not provided)

...wide variety of services throughout the summer, critical to tourism, recreation and youth activities through a partnership with the GNWT Youth Employment Program.

Throughout the last three years, the village has received enough partnership funding for nine to 11 summer student positions, ranging from staff for the community pool, tourism information centre and many other summer youth activities.

This year the village will only be able to hire one person with the assistance of the Education, Culture and Employment Youth Employment Program. This program also gave the youth experience, skills, responsibilities and the ability to save money for academics in the fall. The confidence that the youth received from these employment programs is invaluable to the development of themselves and the communities.

Many constituents have asked me during my most recent community tour, why the sudden and drastic cuts. The Youth Employment Program under the Wage Subsidy Program has been virtually removed from the base funding. This program was very well used in the community of Fort Simpson, by the village and many other businesses. The program is not intended as a yearly funding source for organizations to deliver programs, ECE responded. If this is the case, the communities have a difference in understanding. ECE did not give adequate notice to the communities so the applicants could prepare accordingly and in time. Today, many communities are in the position to cancel summer youth employment targets. If the community governments were not faced with the increasing costs and decreasing revenue, they may have the capacity to continue with the programs. The reality is that they do not.

Mr. Speaker, it is appropriate that we have a gallery full of students and our government should do our best for them as they are our future. Mahsi cho.

---Applause

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

**Member's Statement On City Of Yellowknife
"Heterosexual Day"**

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I would like to take this opportunity to express my disappointment in how my beloved city of Yellowknife is being advertised around the country as a city so insecure in its identity as to feel the need to celebrate a heterosexual day.

---Laughter

Mr. Speaker, as one council member put it so succinctly, I find this to be extremely frivolous and vexatious and a real mockery of the day of celebration hard fought and won by one of the most marginalized and victimized people in our society. Mr. Speaker, I believe no matter where people stand on the issue of gay rights, most reasonable and sensitive people will not condone an elected body actively advocating and practising discrimination and bigotry.

Mr. Speaker, in case this is not patently obvious to everyone, every day is a heterosexual day in this country and every part of the world. Heterosexual teenagers do not get murdered and beaten up for their sexual identity. Heterosexual spouses are not refused a visit to the bedside of a dying life mate because of their sexual identity. Heterosexual people are not denied the rights to the properties and wealth of their deceased spouse because of their identity. There are no aboriginal heterosexual youth who are forced to move into bigger communities because of their sexual identity.

Mr. Speaker, there are very serious and compelling reasons for us to mark the days like Gay Pride Day, International Day for the Elimination of Discrimination on March 21st, or National Aboriginal Day on June 21st. Wouldn't it be totally ridiculous if someone suggested that we declare every day of the year other than June 21st non-aboriginal day?

Mr. Speaker, I have suggested many times before that an elected leader should act as an elected leader and fight for the basic human rights of everyone, because as someone born and raised as a girl in a developing country, and a person of a visible minority community in Canada, I know a thing or two about being discriminated against. When I was young, like the students sitting in the gallery, I remember saying to myself that if I ever became successful and got somewhere in life, I would speak out for those people who are being oppressed by the majority and who are not able to defend themselves.

Mr. Speaker, none of us should have a monopoly on basic human rights and Charter rights we hold dear. Whenever we see someone do that...

MR. SPEAKER: Ms. Lee, your time for your Member's statement has expired.

MS. LEE: Thank you, Mr. Speaker. May I 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. Ms. Lee, you may continue your statement.

MS. LEE: Thank you, Mr. Speaker. I would just like to conclude by saying that none of us should have a monopoly on basic human rights and Charter rights we hold so dear. Whenever we see someone do that, especially an elected body, good people and especially the leader should stand up and say that should not be tolerated. Thank you, Mr. Speaker.

---Applause

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

**Member's Statement On Support For The Mackenzie
Valley Gas Pipeline**

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, 30 years ago, Thomas Berger put a 10-year moratorium on the pipeline in order to allow land claims to be settled and to allow northern communities to prepare for the construction. Twenty years have passed since that moratorium ended and most of us, like northern businesses, have been busy preparing and trying to build capacity in order to capitalize on the pipeline.

Unfortunately, some of us, even 20 years later, are still not ready, Mr. Speaker. For instance, one group is holding the future of the pipeline hostage while they try to negotiate their land claim settlement. This group already has two pipelines from their settlement areas going south. We didn't try and hold them up in their development because it would not have been fair. Now I think we deserve the same respect. We need a champion, Mr. Speaker, to get this pipeline going. Mr. Handley, Nellie Cournoyea, and Fred Carmichael are all trying to champion the cause in order to get the benefits of the pipeline to the people of the NWT, but they can only do so much.

Mr. Speaker, I am not here to criticize or point fingers, but we have too many people with their own agendas who are going to jeopardize the project. Mr. Speaker, we have a representative in Ottawa elected by the people of the NWT. Why aren't they fighting for the settlement of the claim so this project can move forward? We need the federal government to do what is best for the residents of the NWT. I want to see this project go ahead. I want to see the youth benefiting from all of the opportunities that will be there. I want to see the NWT get their fair share of the revenues.

Mr. Speaker, for the sake of all the young people across the North, let us not waste any more valuable time. We can't afford to wait another 20 years. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Item 3, Members' statements. Item 4, reports of standing and special committees. Item 5, returns to oral questions. Item 6, recognition of visitors in the gallery. The honourable Member for Hay River South, Mrs. Groenewegen.

ITEM 6: RECOGNITION OF VISITORS IN THE GALLERY

MRS. GROENEWEGEN: Thank you, Mr. Speaker. With the indulgence of my colleagues here, I want to recognize at least half of the visitors in the gallery here. Mr. Delorey is going to recognize the other half. I know it is a large group, but thank you. Their parents are going to watch this tonight on APTN, so when I call your name, jump up quick so the camera can scan you because we have a lot of names to get here.

The parent volunteers who are here today with us are: Lori Lafferty, Kandace Jameson, Beth Green, Shannon Buckley, Dawna O'Brien, Dale Hoose, Brenda Hall, Max Rodway, Leslie Lobb, Gayle Croucher, Barb Aitken, Steve Anderson, and Jean Hachey. I will introduce Mr. Walker's class: Fraser Anderson, Heather Atkins, Michelle Babiuk, Blake Banfield, Amanda Beaulieu, Jacquelyn Buckley, Edward Crane, Alana Croucher, Scotty Heron, Lise Larocque, Jesse McCordic, Desiree Parker, Elaine Roach, Gwen Ruttle, Tory Sabourin, and Jordan Smith. Welcome to the Legislative Assembly.

---Applause

MR. SPEAKER: We also have Grade 6 teachers and assistants from PA school: Karen Wall, Chris Walker, Bob White, Pauline Morrison, and Joannie Lafferty. In Ms. Wall's class: Sean Aitken, Kirk Alcos, Hilary Aldridge, Melinda Arcand, Adrian Beaulieu, Arthur Cameron, Erin Campbell, Kaitlin Cayen, Sasha Cayen, Brittany Dumas, Kelsey Kimble, Kyle Mabbitt, Jasmine Marshall, Morgan Penney, Olivia Sperry, Ben Squirrel, Dannelle Stalmack, Ursula Unka; and Mr. White's class: Justin Boutilier, Richelle Daniels, Shane Duncan, Lauren Gilbert, Sean Gilbert, Lucas Hachey, Trudy Hiebert, Brett Jameson, Brittnee Lafferty, Justin Lafferty, Adam Lakusta, and Darryl Larocque.

Also, we have some parents and volunteers: Joseph Lirette, Hailey Lyon, Sherman Magtiby, Angel Martel, J.J. McKinney, Mikaela Muller, Frankie Ranger, and Johnny Ryan Zoe. Welcome to the Legislative Assembly. I hope you've had a very enjoyable and informative tour. I hope you enjoy the rest of your tour and have safe trips home.

---Applause

Item 6, recognition of visitors in the gallery. The honourable Member for Kam Lake, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker. I have a few people I'd like to recognize; first is Richard Edjericon. Richard is a former chief of the Yellowknives Dene and candidate-elect for the Conservative Party in the Western Arctic riding. Welcome, Richard.

---Applause

With Richard is Mr. Gerry Cheezie. Gerry is the manager of the Yellowknives Dene housing. Welcome, Gerry.

---Applause

Also, Mr. Speaker, I'd like to recognize Ms. Amanda Mallon who is the president of the Northwest Territories Teachers' Association. Welcome.

---Applause

MR. SPEAKER: Item 6, recognition of visitors in the gallery. The honourable Member for Weledeh, Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Speaker. It gives me a great deal of pleasure to recognize my constituent, Major Karen Hoeft, as we all know a very passionate advocate for the homeless, the poor and I think generally all people that have personal challenges in their lives. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Handley. Item 6, recognition of visitors in the gallery. The honourable Member for Great Slave, Mr. Braden.

MR. BRADEN: Mr. Speaker, I, too, would like to welcome all the youngsters and their parents and teachers from Hay River and hope that Yellowknife's hospitality stands up to the test. Like my colleague from Kam Lake, I'd like to recognize the president of the NWT Teachers' Association, Amanda Mallon. Welcome.

---Applause

MR. SPEAKER: Thank you, Mr. Braden. Item 6, recognition of visitors in the gallery. The honourable Member for Sahtu, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. I'd like to recognize two former chiefs, Gerry Cheezie and Richard Edjericon.

---Applause

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 6, recognition of visitors in the gallery. I'd also like to recognize two very hard-working constituency assistants in the gallery, Ms. Wendy Morgan and Ms. Debbie Mageean.

---Applause

Anyone else that we have missed in the gallery that has not been recognized, we apologize, but welcome to the Legislative Assembly. We always enjoy having an audience. Item 7, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

ITEM 7: ORAL QUESTIONS

Question 12-15(4): Control Of NWT Liquor Sales

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I would like to follow up on my Member's statement today. My question is to the Minister of Finance. On the sale of alcohol and liquor in the Northwest Territories, specifically the contracted liquor stores, how is the sale of alcohol controlled in the Northwest Territories with the contracted vendors? Thank you.

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

Return To Question 12-15(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I could probably get into a long response into how the contracts are controlled. Basically as they are set

out there's a prescribed number of hours, as well as a list of products that could be for sale in the Northwest Territories. Through that we would have our Liquor Commission hold the product and ship it out to the contractors throughout the Northwest Territories. The list of product that is available for sale is determined by the department. Thank you.

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

Supplementary To Question 12-15(4): Control Of NWT Liquor Sales

MR. YAKELEYA: Thank you, Mr. Speaker, and thank you, Minister. Are the communities somewhat consulted about how the liquor is sold when it is brought into the communities in terms of the product that is on sale? How are the communities consulted with the sale of alcohol in the Northwest Territories? Thank you.

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

Further Return To Question 12-15(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, first and foremost it would be through the request or our fees that are issued regarding the sale of products; so when those contracts come available. As well, from time to time the Assembly will hold public hearings on it if there are changes to the act, and in fact we are going through that process and will be going throughout the communities in the Territories and trying to get input as to the Liquor Act and its changes. But for the actual product of what is available for sale, I can't recall myself in my time as Minister of Finance, if in fact there was some survey done on the product. So I would have to give that information at a later time. Thank you.

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

Supplementary To Question 12-15(4): Control Of NWT Liquor Sales

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I'd like to ask Minister Roland if he would consider acting on the ban of overproof alcohol in the Northwest Territories, especially in the Sahtu region where there is considerably high concern in two of my communities, and acting on it right away even pending the review of the Liquor Act. This is an urgent problem in the Sahtu region, Mr. Speaker, and we don't need to wait for consultants to tell us this. Would the Minister consider acting right away on this request? Thank you.

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

Further Return To Question 12-15(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, in speaking to the Member and the issue that he has raised about the sale of overproof products in the stores throughout the Northwest Territories, that's something I will take into serious consideration. There may be a number of ways in trying to deal with this, but I will look at that and work with the Member on that. Thank you.

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

Supplementary To Question 12-15(4): Control Of NWT Liquor Sales

MR. YAKELEYA: Thank you very much, Mr. Speaker. Mr. Speaker, would the Minister consider looking at a controlled ban on the sale of overproof alcohol in the Northwest Territories, and look at some of the problems that are caused by the sale of overproof alcohol in our communities? Would he consider an all out ban once and for all in the Northwest Territories? Thank you.

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

Further Return To Question 12-15(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Yes, I would consider that as we look at the matter of our products that we have for sale in the Territories. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 7, oral questions. The honourable Member for Great Slave. Mr. Braden.

Question 13-15(4): Relocation Of The Territorial Treatment Centre

MR. BRADEN: Thank you, Mr. Speaker. My questions this afternoon are for the Minister of Health and Social Services on the issue of the decision to relocate the Territorial Treatment Centre from Yellowknife. Mr. Speaker, the process of taking ideas or proposals from concept or potential into reality is normally quite an extensive and sometimes an even prolonged process in this Assembly. That's one of the strengths, sometimes one of the weaknesses of consensus. But this is not a partisan House, Mr. Speaker, this is a consensus House where the minority government has to work with the majority of Members on this side to help make those tough decisions in the best interests of everyone possible. My question, Mr. Speaker, is after all the commotion that this House went through in the last session where the communities of Inuvik and Hay River were affected by the closure of remand centres and the Dene K'onia centre, has this government not learned anything about how sensitive and how critical a matter it is to work with MLAs on this side when we're talking about moving jobs and moving public services from one community to another? Thank you, Mr. Speaker.

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

Return To Question 13-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as an MLA from one of the smaller communities, I am very, very sensitive to the issue of government resources in communities and how they are spread out across the North, including the capital and all of the other small communities, and how important those resources are, especially in the smaller communities. Have we learned anything through the last session? Yes, we have. Thank you, Mr. Speaker.

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

Supplementary To Question 13-15(4): Relocation Of The Territorial Treatment Centre

MR. BRADEN: Then if something has been learned, how, Mr. Speaker, has that been manifested in this lightning-quick decision to move the treatment centre without bringing, as my colleague yesterday, the Member for Kam Lake, Dave Ramsay, said, where is the business plan? How are we to know what is going to be the effect on workers and on staff and on families? If the government has learned something, we're not seeing it here, Mr. Speaker.

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

Further Return To Question 13-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I indicated yesterday and made a commitment to the Member for Kam Lake that we would pull together the information that we've been looking at to date. I also indicated in this House that the detail of this transition is going to take 18 months or so to be complete with the part of the business plan process that is now currently underway for the coming fiscal year. Thank you.

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

Supplementary To Question 13-15(4): Relocation Of The Territorial Treatment Centre

MR. BRADEN: Then in that business planning process, Mr. Speaker, what is going to be the ability of us as MLAs to work with our constituents, to represent our people and have a real tangible impact and effect on how that business plan is going to roll out and affect their families, their futures and their careers? I'm asking for some meaningful input here and I don't know that I'm going to get it. I'm really hearing done deal. Thank you, Mr. Speaker.

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

Further Return To Question 13-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as the Member indicated, we operate on this side of the House in a perennial minority situation, and that point is brought home to us time and time again. It's something I'm very, very cognitive of, and we're all very sensitive to the need to work in a consensus style with all the MLAs, both those from Yellowknife and those from outside Yellowknife, but as a collective for the common good. We intend to do that. The business plan will lay out the detail and we're always interested and, once again, sensitive in trying to accommodate issues raised in committee on issues that are falling out of what's being proposed in the business plan. In this case, that situation will once again hold true. We will work to make sure that this process is governed in the best way possible with us being as sensitive to the issues that involve staff as possible, and to the children, once again, ensuring that

there is going to be a high quality program set up in Hay River that will provide the service on a territorial basis for all children in the Northwest Territories. Thank you.

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

Supplementary To Question 13-15(4): Relocation Of The Territorial Treatment Centre

MR. BRADEN: Mr. Speaker, one of the aspects that have been brought to light about this potential move -- and this is not a slight at all against the good people of Hay River -- are certain levels of support and treatment and professional care that are not established in Hay River. Is this business plan going to address the needs that these children have for as full a spectrum as possible of care, and how is that going to be established? Thank you, Mr. Speaker.

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

Further Return To Question 13-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, the service that will be provided will be on par with what is currently here. If there are services that are required that aren't accessible as they are possibly in Yellowknife five minutes away, they'll be accessible in Hay River 35 or 40 minutes away by plane. We have folks that travel, we have other territorial facilities across the North that provide service to all the people of the Northwest Territories and this program will be no different, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 7, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Justice, the Honourable Brendan Bell. In my Member's statement today I talked about the decision that the government proceeded with to close the remand unit at the SMCC in Hay River. This was given a lot of dialogue in the last Assembly and the last budget session and, as the Minister knows, there was a unanimous motion passed to support this. Unfortunately, it was dealt with in a way that the closure proceeded. But that being the case, Mr. Speaker, that's kind of history now; but I still have questions outstanding with respect to numbers, with respect to costs. We did secure an audit report, which indicated that the analysis for the cost saving was not done at an in-depth level and it was not that rigorous, so I would like some of these things revisited. I would like to know if the Minister of Justice would provide me with a commitment today that these outstanding issues could still be addressed going forward to ensure that from an operations point of view it's still in the interests of the service being provided to have the remand centre in Hay River closed. Thank you.

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

Return To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

HON. BRENDAN BELL: Thank you, Mr. Speaker. I think it's a very important question, and I want to reiterate that this closure was done as an economizing measure. We felt that in terms of efficiency, in terms of making the best use of our funds, we could adequately handle remand prisoners in the facility and the general population if they weren't of high risk, and high risk inmates could be transferred to the North Slave facility. But there is no doubt that this was based on the assumption that we could actually save money doing it. Admittedly, it's not a program enhancement. If money were not an object, we would not have proposed this. So I'm certainly willing to look at this one year forward. I have directed my department to keep a running account of the costs at the facility. In addition, I've asked to make sure the RCMP can account for the costs that they are incurring. I am concerned about some of the points that the Member from Hay River has raised about her feeling in terms of costs to RCMP budgets. If RCMP budgets have been required to go up because of this, there's no doubt that at some point it would be passed on to this government.

So I will look at this over the course of the year, and if in fact we aren't saving the money, then we have to have some reconciliation of that. But I'm prepared to come back and talk about why we have met our targets or why we haven't and have a very frank discussion with the Members opposite. I think it's very important and we'll be as open and transparent about this as we should be. I think that that's a commitment that I can make here today and I am prepared to review it one year out. Thank you.

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

Supplementary To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, the projected cost savings of \$400,000; the audit report indicated that with no persons leaving and no positions lost through attrition, that in fact the savings were only about \$267,000. With the number of \$267,000 in mind and given our budget planning process one year out unfortunately would mean that there would be no reinstatement of services until the following fiscal year. Would the Minister agree to an interim evaluation? If these numbers are all being tracked now, would he agree to an interim look at this in six months so that if the savings are not being realized and it is not working out as anticipated, that in fact this could be built back into the budget planning process which would commence in about six months from now? Thank you.

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

Further Return To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

HON. BRENDAN BELL: Thank you, Mr. Speaker. Well the business planning process is well underway now, departments are working on it and the reinstatement of the remand centre has not been contemplated, but I am prepared to track this and account for the savings and projected savings going forward with committee. I can come back to committee periodically throughout the year.

There is nothing stopping us at the end of the year, should we determine that we really aren't saving any money this way and it's become an increased burden on the system and RCMP budgets. I say hypothetically at this point because I don't know, Mr. Speaker, but if that in fact is the case, I'm prepared to revisit it. I think we made the decision because we believed that we would save money, and I still believe that, but I'm prepared to come back and analyze that. If we're wrong, we're prepared to reverse that decision, but I want to go forward and give this the time.

We do acknowledge that attrition was going to be required to save some of the money. So we know that no full-time employees have lost their jobs. There has been a reduction in overtime and casual use, but I will come back periodically and work with committee and talk about the actual savings that we've seen to date and the projected savings going forward. I don't want the Member to feel that this is gone or we've missed the window because of the business planning process. That isn't the case and I can always go back to Cabinet at any time if in fact we aren't saving the money. Thank you.

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

Supplementary To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, one thing I was never really clear about or assured of was in fact that when the change in operations was proposed that the Harrington Report, as it's called, and the coroner's report as a result of the suicide that took place in cells had been taken into account in terms of the operation changes, because I think the staffing of the remand centre, the way it was, was directly precipitated by those two reports. Can the Minister speak as to whether or not those things were taken into account when these changes were proposed? If they weren't, would he commit to again evaluating the service against those two reports? Thank you.

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

Further Return To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

HON. BRENDAN BELL: Thank you, Mr. Speaker. Yes, I believe they were taken into account and I know it's of utmost importance to the department that inmates are safe in the facility, inmates in the general population are not put at risk because of some of the folks in remand and vice versa. I know that an assessment is done for people coming into remand. If they are deemed to be high risk, then they're transported to the North Slave Correctional Centre. But I'll go back to the department and ensure that in fact the coroner's inquest and that report were considered. That's another thing I can come back to committee and talk about, but at this point I do believe they were incorporated, but I'll certainly verify that. Thank you.

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

Supplementary To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, the Minister has made a commitment to work with committee. Unfortunately, I'm not on the committee that oversees his department so I would like a commitment from the Minister that he would allow me to be involved in setting those items which will be assessed and identified in terms of setting the benchmark with respect to savings. I want to make sure that every potential impact in terms of cost is included in that comparison when it's done. Would the Minister commit to that? Thank you.

MRS. GROENEWEGEN: Thank you, Mrs. Groenewegen. Mr. Bell.

Further Return To Question 14-15(4): Closure Of The South Slave Correctional Centre Remand Unit

HON. BRENDAN BELL: Thank you, Mr. Speaker. My apologies; that had slipped my mind. I will certainly commit to sitting down with the Member to talk about methodology for this review as we go forward. I think that's very important and I'm sure the committee would not have objections to the Member sitting in on any committee discussions we have. But absent that, I'm certainly prepared to have individual discussions with the Member. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Item 7, oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

Question 15-5(4): Control Of NWT Liquor Sales

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. My question today is for the honourable Minister of the Financial Management Board and his responsibilities over the Liquor Board or the Liquor Act. It's constituents that come to me, Mr. Speaker, and ask me to speak on the fact that there's lots of bootlegging happening in our communities, especially to minors, Mr. Speaker. So the concept or the idea they had shared with me is whether it is possible for our government to institute some signage in the liquor stores to advise potential people that bootlegging or even buying booze for your younger friends is supplying minors and is an offence, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Minister responsible for the Financial Management Board Secretariat, Mr. Roland.

Return To Question 15-5(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, if I understand the Member's question about putting signage up to inform people who go into the liquor stores to purchase products for others to inform them of the penalties of that, that they would be involved in supplying minors, that is something I think we can definitely work on; putting up signage that would reflect those concerns. Thank you.

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

Supplementary To Question 15-5(4): Control Of NWT Liquor Sales

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I'm sure glad that the government or the Minister heard me so clearly the first time.

---Applause

I think this will go a long ways because I think a lot of people are doing it thinking it's a harmless endeavour to help out their friends like they were just going to school with them last year but now they're eligible to buy alcohol. But it is a crime and people should be made aware of it and it happens quite a bit back in my constituency and I'm pleased the Minister is going to be doing that. I'd just like to ask the Minister as my final question, Mr. Speaker, if he can act on this soon and look at getting this signage up rather quickly. Thank you.

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

Further Return To Question 15-5(4): Control Of NWT Liquor Sales

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I will have the department work on that as soon as we can put some horsepower to it and we should be able to work with the contractors out there in getting signage up. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 7, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 16-15(4): Prince Of Wales Northern Heritage Centre Renovations

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Minister of Education, Culture and Employment and it goes back to my Member's statement from earlier today. From a tourism standpoint, I find it very disturbing that the renovations are taking so long at the Prince of Wales Northern Heritage Centre. One of the things the North oftentimes gets criticized for is the lack of product here in the Northwest Territories for tourists to take in and have what I feel is the cornerstone of the tourism products here unavailable for public viewing for the length of time it's been unavailable. Of the four main galleries that make up the Prince of Wales Northern Heritage Centre, the north, south and Aviation are what I would deem the northern component to the facility. I'm wondering why the Prince of Wales Northern Heritage Centre would have all three of the main galleries closed at the same time. The only gallery that remains open is the feature gallery, which entertains rotating exhibits from around the country. Thank you, Mr. Speaker.

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

Return To Question 16-15(4): Prince Of Wales Northern Heritage Centre Renovations

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, Mr. Ramsay unfortunately must have hit the facility on a day when there was a significant amount of transition. It is true that a good portion of the facility is disrupted because of the ongoing renovations, but right

now the Fox Moth gallery is again open, as is the feature gallery and the mezzanine gallery. The plan is that in June the auditorium will open and will feature videos throughout the summer. The north gallery will open with a photo exhibit from NWT mining, celebrating with an exhibit that's been sponsored or brought forward by the mining society. The feature gallery will have an interactive cyber explorers' exhibit and the mezzanine gallery will have an exhibit of Ticho archival photographs. So while the renovations are underway, we are going to attempt to have a good portion of the facility open and available for northern visitors. Thank you.

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

Supplementary To Question 16-15(4): Prince Of Wales Northern Heritage Centre Renovations

MR. RAMSAY: Thank you, Mr. Speaker. I'm glad to hear the Minister say that some of the renovation work is going to get done and some of the galleries are going to open this summer, because, as I mentioned in my Member's statement, we are going to get a great deal of traffic through the capital city here in the summer months with the AFN being here and the increase in road traffic. So I'm glad to hear the Minister is paying attention to that. I'm wondering if the Minister could let us know when he expects all the renovations to be completed at the Prince of Wales Northern Heritage Centre. Like I mentioned earlier, it's having an impact on the staff and visitors alike. So I'd like to know when he expects it all to be completed. Thank you, Mr. Speaker.

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

Further Return To Question 16-15(4): Prince Of Wales Northern Heritage Centre Renovations

HON. CHARLES DENT: Thank you, Mr. Speaker. The total project is expected to be completed in 2006. The permanent display will open in the north gallery in the summer of 2006 and the permanent display will open in the south gallery in the summer of 2007. In 2006, the south gallery will house a travelling exhibit of Dene artefacts from the Royal Scottish Museum. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 17-15(4): Expanded Downpayment Assistance Program

MR. HAWKINS: Thank you, Mr. Speaker. I rise on the heels of my Member's statement with questions to the Minister responsible for the Housing Corporation. Mr. Speaker, as I mentioned in my Member's statement, \$72,000 was given to one person and as far as I see it, we could have given three people \$24,000 for a down payment and that would have been considered reasonable. Could the Minister explain to me in somewhat reasonable detail, obviously without giving out the name of the person who we gave it to, why there was such a variance between one down payment of \$6,500 and another down payment of \$72,000? That I just don't think is right. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister responsible for the Housing Corporation, Mr. Krutko.

Return To Question 17-15(4): Expanded Downpayment Assistance Program

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, it may seem that the numbers are screwy with regard to how you look at it, but I think the Member has to realize that this program is developed throughout the whole Northwest Territories. We have communities who have just as much need for assistance as they do here in Yellowknife. You also have to realize that this program is not only for high income clients. It's also there to assist people who are trying to move from income support, clients who are in social housing, to get them out of social housing and into home ownership. There is no set guideline in regard to maximums. There is a maximum amount in regard to the subsidy of 40 percent of the value of the home. That applies mostly to outlying communities because of the high cost to those clients, but also in order to meet those goals we are able to work with people in both sectors. This is a universal program. It's not just for people in high incomes. We are there to assist people who have large families, whose threshold is over 30 percent with regard to core need and are paying the high rents in social housing and assisting them to move out. That's why you have some clients who have these high incomes.

I think, Mr. Speaker, more importantly we've assisted 570 people to get into home ownership and it's put almost \$70 million into the Northwest Territories economy. So if that's a bad news program, I'd like to ask the Member exactly what is wrong with this program that we were able to assist 570 people and put \$67 million into our economy. Maybe the Member could elaborate a little more on exactly what he's really pointing at with regard to his argument. Thank you.

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

Supplementary To Question 17-15(4): Expanded Downpayment Assistance Program

MR. HAWKINS: Thank you, Mr. Speaker. The Minister has been here long enough to realize that he's not supposed to ask Regular Members questions. I was kind of hoping maybe a point of order on that, but I'll answer the question. I'm very proud that we're putting people into housing and I'm proud to hear this government puts in housing, but you know what? The bottom line is I'm mad to find out that we're putting \$72,000 into one house. We could have done a lot better than that and it seems unreasonable. All I asked for was for you to explain the details of why one person received \$72,000 when we could have helped a lot of people with that. We could have given three people \$24,000; we could have given 10 people \$6,500. Explain the one scenario. That's all I've asked for. I'm not breaking your legs over nothing. Explain the details. Thank you, Mr. Speaker.

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

Further Return To Question 17-15(4): Expanded Downpayment Assistance Program

HON. DAVID KRUTKO: Mr. Speaker, I'll try to be clear for the Member so he understands. There is a maximum subsidy that is given. I said 40 percent based on the value of the home. But again, it's based on the client's ability to pay. The affordability question comes in with regard to being able to pay the operational maintenance costs of the home and also ensure that their expenditure does not exceed the 40 percent that anyone should be able to pay for shelter. So because of those restrictions, those individuals who are in that area of more need, because of their income, receive more subsidy. So hopefully that can assist the Member. Thank you.

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

Supplementary To Question 17-15(4): Expanded Downpayment Assistance Program

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, that didn't explain anything, I'm sorry to say. It just said there's a sliding scale that goes up to 40 percent. Mr. Speaker, we have a situation of \$72,000. Explain the scenario. Tell me they came from low income housing and they were paying \$200 a month and this government was darn well going to make sure that they paid a mortgage at \$200 a month regardless of how expensive this house is. Explain the scenario. Show some transparency on this program. Would the Minister do that? Thank you.

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

Further Return To Question 17-15(4): Expanded Downpayment Assistance Program

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, again, it's based on household income and the size of the family. If you have a family with six people or seven people, it's based on the ability of that family to maintain themselves, but also maintain a mortgage. So there are also things that are looked at with regard to how you determine the evaluation. Also, regarding the income support system, it again is based on where these units are being put in place. A lot of communities, where you're putting \$300,000 into a community, your threshold numbers are somewhere in the range of \$50,000 or \$60,000. In order for that family to maintain a mortgage, they have to be able to meet the minimums which are based on the 30 percent expenditures with regard to household core need. If the Member would like, I have provided him with information and if he would like more information, I can get it to him.

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

Supplementary To Question 17-15(4): Expanded Downpayment Assistance Program

MR. HAWKINS: Thank you, Mr. Speaker. I can see we're slowly getting somewhere, like an iceberg here moving along the great divide. But, Mr. Speaker, let me put \$72,000 into real dollars. Mr. Speaker, if I took home \$72,000 in a pay cheque, that means I would have made over \$105,000 that year. This is grantable money of \$72,000. That's a lot of money that's tax free, straight across. As far as I'm concerned, we still haven't heard the

details and we have five more days of this session to go. I'm sure we'll hear it by the end of it. Mr. Speaker, what were the exact details of this? What did they have for rental income? How many were in this family? Justify \$72,000 for one family. Thank you, Mr. Speaker.

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

Further Return To Question 17-15(4): Expanded Downpayment Assistance Program

HON. DAVID KRUTKO: Mr. Speaker, the Member is getting down to a pretty detailed answer so I'll take that as notice and get the information back to the Member if he wants to.

MR. SPEAKER: Thank you, Mr. Krutko. The Minister has taken the question as notice. Item 7, oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Question 18-15(4): Property Tax Assessments And Arrears

MR. VILLENEUVE: Mahsi, Mr. Speaker. I don't know. I'm tempted to stay on this housing issue, but we'll just leave it to rest for now. My question is to the Minister of Municipal and Community Affairs with respect to the new taxation year and new assessment year. More interest has accumulated. Letters have gone out to seizure of private property. Anxiety is raised in the communities again with all these registered mails that have gone out. I'm just wondering if the Minister can just let this House know if any progress in finding a resolution to these outstanding property tax issues and arrears and the assessment process has been carried forth from our last discussion in the last session about this issue. Thank you.

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

Return To Question 18-15(4): Property Tax Assessments And Arrears

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the Member is asking progress over property assessment and verification of property titles. That's something we haven't been able to do up to now. We intend to go into the communities of Fort Providence, Fort Liard and also Fort Resolution this summer. We intended to have our people do an assessment and verification of those communities last year, however, a number of the chiefs representing those communities asked us to hold off. In Fort Providence, we've had a face-to-face meeting with the leadership there. They have indicated they want to have a discussion and a workshop on how assessments are done and how titles are verified. We're committed to doing that. We plan to do that this summer. So we've been able to set up or are in the process of setting up a date to go in the community and do that. In the situation of Fort Resolution, however, we haven't done that and we would like to be able to do that. We will correspond with the leadership over the summer or over the next while with the intention of doing it this summer. Thank you, Mr. Speaker.

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

Supplementary To Question 18-15(4): Property Tax Assessments And Arrears

MR. VILLENEUVE: Thank you, Mr. Speaker. Thank you to the Minister for that replay because that was basically the basis of my next question. I think he must have been reading my notes or something. It's good that the Minister is initiating some kind of a working group to go and visit these communities and inform them and explain to them what property assessment and taxation means and how it relates to their taxation bills and their assessment notices and community services. I wanted to know if the Minister would entertain the idea of ensuring that this working group consists of frontline workers. Not executive assistants, not the Minister, not his deputies, but actual frontline assessors who know exactly what it's all about because that's their profession; that they would be part of this working group that would see the community workshops take place and clarify a lot of this anxiety that people feel. Thank you.

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

Further Return To Question 18-15(4): Property Tax Assessments And Arrears

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I think I can certainly relate to the concern that the Member is raising. We intend to send our frontline workers to do the assessments in the communities, to verify the titles, to explain the process to the leadership. However, I think it would warrant a follow-up by myself and some of my staff and maybe members of the Department of Finance to go in also and talk about the different options that are causing some roadblocks or some concern to the aboriginal governments in the communities, and maybe look at different options that might be out there on how to accommodate the issues that are coming forth as a result of the land issues around land claim and self-government negotiations. I think that I would certainly agree with the Member. The discussions with the community has to be twofold; first of all with our staff, our technical and lands people, followed up by a political meeting with all of the leadership once we are all clear on what the process is and what we can do in terms of the next steps. Thank you, Mr. Speaker.

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

Supplementary To Question 18-15(4): Property Tax Assessments And Arrears

MR. VILLENEUVE: Thank you, Mr. Speaker. I guess my assumption would be safe to tell the general rate paying public that in these communities that have all of these accumulated arrears for their assessments that I feel are on the high end, this issue is going to be resolved within this taxation year. I hope I don't have to bring it up next year and the year after. I just want to ask the Minister if he is committed to seeing that this issue is going to be done over the summer. We have all summer to do some workshops and everything. People are usually home. It is a good time for assessors to do stretch tape and whatnot. I just want the Minister to commit to the people and say it is going to get done and we are working on it and we look forward to seeing some closure to it. Thank you.

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

Further Return To Question 18-15(4): Property Tax Assessments And Arrears

HON. MICHAEL MCLEOD: Mr. Speaker, this is an issue that has been ongoing for some time. We have been very determined to move forward on some of these issues that are being raised in terms of verification of titles and the amounts being assessed for different properties. Our staff has indicated that we have been ready to go into the community for some time. I will commit to the Member that we fully intend to go this summer. We would like to go this summer. We would like to work with the Member and set up some meetings and open up that line of communication and get all of this work done and some of these issues out of the way. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Item 7, oral questions. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Question 19-15(4): Status Of Inuvik Hospital Tender

MR. MCLEOD: Thank you, Mr. Speaker. My question today is for the Minister of Health and Social Services. Could you inform this House as to the status of the RFP contract that provides security for the Inuvik Regional Hospital? Thank you.

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

Return To Question 19-15(4): Status Of Inuvik Hospital Tender

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. I understand it has been out for RFP, but I am not sure when it is closed or if they have been successful. Thank you.

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

Supplementary To Question 19-15(4): Status Of Inuvik Hospital Tender

MR. MCLEOD: Thank you, Mr. Speaker. My understanding is that it hasn't even gone out to tender yet or for an RFP, because I have had some concerns from some constituents living up there that they haven't seen it yet. They are waiting for it. My understanding is that it is being awarded or given to the same company that is doing it now. This looks like backdoor sole sourcing. Would the Minister provide me a reason for this?

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

Further Return To Question 19-15(4): Status Of Inuvik Hospital Tender

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have had discussions on this. I can assure the Member that there is no, as far as I am aware of it, backdoor sole sourcing. The information that I had, that I have shared with him, is this is to go to RFP. I saw information today that indicated that, but I will go back when we finish session and I will just double check that. I will let the Member know. Thank you.

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

Supplementary To Question 19-15(4): Status Of Inuvik Hospital Tender

MR. MCLEOD: Thank you, Mr. Speaker. If the Minister comes across this information, he said he would share it with me, so I am looking forward to seeing that because that is news to me. I was of the understanding that it had not gone out yet. There is no question there.

MR. SPEAKER: Thank you, Mr. McLeod. Item 7, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I was interested today in the Minister's statement related to the Mackenzie Valley pipeline. I guess I will address my questions most appropriately to Mr. Bell. We have been following the activities of some of the Cabinet Ministers and the Premier as they have traveled to Ottawa to meet with the Deputy Prime Minister to talk about money to address the socioeconomic concerns. This seems to have been precipitated by the announcement by Imperial Oil that they felt that there were too many requests to the access and benefit agreements. So our government responded, I believe, by traveling to Ottawa and meeting with the Deputy Prime Minister, Anne McLellan, to see if there was a way to relieve the industry of the complete responsibility for some of the social and economic issues that were being raised by aboriginal governments.

After the initial trip, which I believe included a meeting with Minister Goodale, the Premier had an opportunity again, I believe with his Minister, Mr. Bell, to meet with some of the aboriginal leaders in Calgary to talk about a domestic deal, as I like to call it, in terms of how federal money could be appropriated in a way that would take some of the pressure off of industry in negotiating with the aboriginal governments. When this amount of \$100 million that we have heard about was raised after the Calgary meeting, was that anywhere close to the amount that was talked about in your...I understand it is under negotiation, but in your first meeting in Ottawa with Minister McLellan, was the \$100 million a new number or was it close to what you had initially discussed? Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Minister of Industry, Tourism and Investment, Mr. Bell.

Return To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

HON. BRENDAN BELL: Thank you, Mr. Speaker. I think the Member has accurately laid out the chain of events. But I would say that when we first met with the Deputy Prime Minister with also Ministers Goodale, Scott and Blondin-Andrew, we didn't get down to specific numbers. We identified the challenge. We indicated that we are aware of why Imperial Oil had gotten to this point in their assertion that what properly constituted access and benefit agreements was not all that was being requested here. We acknowledge as governments that we have a

responsibility and a role here and the federal government has a responsibility and a role to fund this area because we don't get the revenues that we need in order to make these investments. But we made the point very clearly at that meeting that we had a sense in terms of our own numbers from this government, the kinds of pressures that we were likely to see up and down the valley for the development, but that was an incomplete picture. The next step was for us to go and sit down with some of the aboriginal leadership and talk about the pressures that they were feeling and come back with a comprehensive number. It was really preliminary at that point to get into a negotiation around numbers without having input from aboriginal governments, which is why we didn't do it. Thank you, Mr. Speaker.

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

Supplementary To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister, whatever the number was initially or might end up to be at the end of the day, was this amount of money considered to be some kind of an interim payment or down payment on a tentative royalty sharing program with the federal government? Is it considered a bridge or an interim down payment? Thank you.

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

Further Return To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

HON. BRENDAN BELL: Thank you, Mr. Speaker. No. We had a long discussion around resource revenue sharing and the projected timeline for money to flow to northern governments. Optimistically, we were talking about probably 2007-08. Federal legislation would have to be changed in order for us to start to receive royalty revenues. What we were talking about was a way to bridge us to that point. We have pressing needs of communities up and down the valley now. We know royalty revenues can't flow until 2007-08. We have a need now. We needed a bridge to get us there. That is why we entered into this discussion around the socioeconomic impact fund that would take us until the time that our revenues started to flow from that. Thank you, Mr. Speaker.

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

Supplementary To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

MRS. GROENEWEGEN: Mr. Speaker, what I am concerned about is if we take this bridge funding which is not a bad idea and understandable to take the pressure off of some of the socioeconomic issues, that without the existence of an agreement-in-principle on what the actual deal will look like for us down the road, I am just worried about them throwing us some money and then that will somehow take the pressure off of them to realize that we need an AIP. We need something with some specifics in it before we can see this actually proceed. I don't want them throwing us some money and saying go away. Is

this amount of money in any way, in the Minister's mind, going to delay the progress on the AIP which will have the real meat in it for ongoing royalties for the Northwest Territories and aboriginal governments? Thank you.

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

Further Return To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

HON. BRENDAN BELL: Thank you, Mr. Speaker. No. Our Premier and Finance Minister were very clear with the federal Ministers and with the Deputy Prime Minister that these were really on parallel courses. We wanted to sit down with our aboriginal partners and negotiate some bridge funding to deal with social impacts, but our key priority and the priority of northern governments was to get a resource revenue sharing deal and an AIP by this summer. We know that the Deputy Prime Minister came out in public and articulated the government's support for getting a deal done. I believe she used, I could check on this, by the end of June I think was the timing. So that was the time frame we were shooting for anyway. I could certainly check the press announcements around that, but there was an acknowledgement by the federal government that we needed to get that AIP done, as well. We are still moving forward on that. That involves not only ourselves and the federal government, but the summit and aboriginal governments, so it is important for us to work together to move toward that. Certainly, that is our priority. Thank you, Mr. Speaker.

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

Supplementary To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, does the Minister believe that industry representatives, i.e., the producers group, would be lead to believe that this fund, whatever it turns out to be that would flow to our government and aboriginal governments, is going to lessen their responsibility in terms of the negotiations on the access and benefit agreements that are being proposed by aboriginal governments up and down the valley? Thank you.

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

Further Return To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

HON. BRENDAN BELL: Sorry, Mr. Speaker. Thank you. It is difficult for me to know what the producers believe, but my sense is that the producers are looking for a framework or a box that access and benefits can be negotiated in. They believe that there are certain things that make up access and benefits, an amount of money, essentially a rent for use of the land. That is the realm they would like to see this in. However, they acknowledge that there are all of these other socioeconomic impacts in communities that need to be adequately dealt with, but they believe they are the responsibility of government. I believe that is also the case. So they do have a responsibility, environmentally and to the people of the North, to make sure that we benefit from this project, but it is impossible for us as governments to simply close our

eyes to some of the impacts in communities and try to put it all off on the project and the project proponents. That is why we have gone to the federal government to say you've got to step up to the plate with the funding. These services and programs that need to be delivered are ones that are in our mandate and the mandate of aboriginal governments. We are prepared to do that, given that we have the money. I think the producers group see it exactly that same way, but I don't think they are looking to shirk their responsibilities in any way. I think they want to do a good project that is well received. They know they need grassroots support for this. I believe they are approaching that earnestly and with best intentions. Thank you, Mr. Speaker.

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

Supplementary To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

MRS. GROENEWEGEN: Thank you. So the trip to Ottawa then to secure this bridge money in the interim here was postponed because of the vote that was taking place around the budget in the House of Commons. What is next? What is the game plan on the part of this government? I just don't want us to drop the ball on it. Thank you.

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

Further Return To Question 20-15(4): Socioeconomic Impacts Of Pipeline Development

HON. BRENDAN BELL: We agree that we need to keep the pressure up on getting this bridge funding. The voting in Ottawa and the uncertainty obviously impacted our ability to get a meeting, but we had some work to do prior to that meeting. We and the aboriginal governments had to sit down to quantify the impacts and be able to put enough detail and substantiation behind our ask that the federal government could move that forward and talk to the Treasury Board about that. There was some work for us to do. We have had meetings now and I believe going on this week in Ottawa with our senior staff and federal government senior staff possibly also in Calgary. We are now looking to next week or the week after to press for another political meeting to see if we can get a final deal on the table. We hope that we are very close, but we are certainly not letting up on this. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. Item 7, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 21-15(4): Relocation Of The Territorial Treatment Centre

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Health and Social Services and it goes back to the discussion we had yesterday in the House and some of my colleagues had brought up earlier. That is in relation to the proposal to relocate the Territorial Treatment Centre out of Yellowknife. I read through the Hansard yesterday, Mr. Speaker. I had trouble trying to ascertain how the decision was made. I am still of the opinion that a decision was made based solely on what it would cost to renovate a piece of infrastructure. That is all I have seen.

I have to apologize to the Minister. Like I said, I am not on the Social Programs committee. I am not in the decision-making loop when it comes to decisions like this, so I am trying to understand how a decision of this magnitude is made. I know the Minister has mentioned that they have done some background work. They have done a little bit of research on the move and the implications on education of the kids, medical professional help they might need and things of that nature. I would like to know where it is. Somebody in his department has to have had a file on this. Why can't we have a look at it? Thank you, Mr. Speaker.

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

Return To Question 21-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I indicated and committed in this House yesterday, when the Member asked the question, that I will pull together a file of information, and I will make sure it goes to the chair of Social Programs and to the Member, that lays out the trail that got us to this point. Thank you.

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

Supplementary To Question 21-15(4): Relocation Of The Territorial Treatment Centre

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, the question I have for the Minister is when we might expect to see something like this, because it is certainly a big issue with many families here in Yellowknife, folks that work there, parents who have children there. I would like to ask the Minister when we might expect that report or that file. I still have trouble understanding why a department that would make a decision like this wouldn't have a file readily available for Members. I wanted it yesterday. Thank you, Mr. Speaker.

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

Further Return To Question 21-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I will commit to having it for the Member before the end of this session. Thank you.

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

Supplementary To Question 21-15(4): Relocation Of The Territorial Treatment Centre

MR. RAMSAY: Thank you, Mr. Speaker. I am wondering if the Minister could let us know if that report or file is going to be comprehensive in its scope. Is it going to look at the educational needs of the clients, what the impacts of the program are going to be on moving it, the professional side of things, and the availability of services in Hay River? Is it going to be a comprehensive report, or are we going to be able to poke holes in this thing? Thank you, Mr. Speaker.

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

Further Return To Question 21-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, there is a potential to poke holes in anything anyone does. I could tell you what the Member needs to know, is that the decision has been made to move TTC to Hay River to use the capital money that was in the budget to renovate Dene K'onia. That it is going to take about 18 months and we will be able to set up a program there that is going to meet all of the needs of the children that are going to be in that program. Hay River has the capacity with the services that exist there, the medical, the educational, the health, the social services are there or are readily and easily accessible by the children that will be taking that program in Hay River. Hay River has a history in the past of running child welfare programs that were, in fact, converted to young offenders, but they have a history and a capacity that has been demonstrated through history and the past to deliver that kind of program. That decision has been made. It is a contractual arrangement that is there. It is going to be moved. We are going to work with the contractor. That contract will be going out. Bosco Homes currently provides that and will be taking all the steps with the contractor to work with their employees to make sure that it is done in a sensitive timely way so that we minimize the dislocation and disruption that may be there for the folks that are here.

Mr. Speaker, this is a program. That is what the Member should know. The information there will show that that is a decision that has been made. Now should the Member choose to poke holes in that, that would be something that he is very capable at doing. He is very adept as he has demonstrated in this House. But, Mr. Speaker, that decision has been made and I will stand up and defend that decision. Thank you.

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

Supplementary To Question 21-15(4): Relocation Of The Territorial Treatment Centre

MR. RAMSAY: Thank you, Mr. Speaker. I would like to thank the Minister for his response. I do look forward to the report, the file coming forward, so that we can have a look at it and can better understand how the decision was arrived at.

One of the things that I would like to see included in that -- I know we have been going through and it is no slight against Hay River -- we have been having a tremendously difficult time staffing up a pipeline office in Hay River. These are specialized professional people that work at treatment centres like this. I am wondering can we get the employees to work at the treatment centre in Hay River. We have had a heck of a time filling positions at the pipeline office. Thank you, Mr. Speaker.

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

Further Return To Question 21-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I would also like to point out and reiterate a point I made yesterday, in that the Government of the Northwest Territories has also made the signal very clearly that they are interested and willing to look at decentralizing programs when they make sense and when it is the appropriate thing to do. In this case, this is one of those cases. Will the people be there? Yes, they will be. We have done it in the past. We are running a program in Fort Smith as well, delivering a high quality of care for children. It may take some work, but Bosco Homes has indicated that they are confident and that they are prepared to work with the department and the people in Hay River and will go through a hiring process locally and outside of Hay River, if we have to, to staff that facility up and have it up and running. They will also have the full backup resources that Bosco Homes has at their disposal, which we don't have as a government. Plus, there is going to be continued access to the specialized services in Yellowknife with pediatricians and psychiatrists that are there right now. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 7, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 22-15(4): Dust Control Chipseal Program In The Sahtu

MR. YAKELEYA: Thank you, Mr. Speaker. In talking about poking holes, I want to ask the Minister of MACA in terms of the dust control programs in the Sahtu communities, specifically the chipsealing programs. In terms of the chipsealing program, can he inform the good citizens of the Sahtu if they have to suffer another year with all the dust that is flying around in our communities and will the elders at least be able to breathe a little easier this summer in Fort Good Hope? Thank you.

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

Return To Question 22-15(4): Dust Control Chipseal Program In The Sahtu

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the main street chipsealing program has been an initiative of this government for the past couple of years now. It was initially budgeted at \$1 million. As a part of the reductions required by this government, we reduced it somewhat. This year the program will be carried out in two communities. The communities of Fort McPherson and Tuktoyaktuk I believe are the two communities that the work will be happening in.

The Sahtu has communities that are identified as a part of this schedule. We are only able to carry out the chipsealing program in the communities as the budget allows us to and where our equipment is and where the communities have the streets prepared. There is a lot of work that is required to be done in terms of preparation. This year the two communities that are targeted are Fort McPherson and Tuktoyaktuk, and I believe Fort Good Hope is one of the communities that is targeted in the Sahtu. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Time for question period has expired, but I will allow the Member a supplementary. Mr. Yakeleya.

Supplementary To Question 22-15(4): Dust Control Chipseal Program In The Sahtu

MR. YAKELEYA: Thank you, Mr. Speaker. Now that the dust has settled in the Sahtu, would the Minister of MACA advise the House, maybe there is a possibility that he could help with putting more money into the chipsealing program, because only two communities in the whole Northwest Territories are going to be chipsealed. Larger centres have paved roads, but the smaller communities are suffering with dust. It is terrible in those communities.

SOME HON. MEMBERS: Hear! Hear!

MR. YAKELEYA: It is a crying shame that in this day and age that we get money in and we want to make differences in the communities, yet the people in the smaller communities are suffering through another dusty summer here. I want to see if the Minister would commit to Cabinet to see if they can get more money into the chipsealing program, so the communities in the Sahtu don't have to wait another two, three, or four years in terms of getting the chipseal program in the communities. Mahsi, Mr. Speaker.

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

Further Return To Question 22-15(4): Dust Control Chipseal Program In The Sahtu

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I certainly have to agree with the Member that the dust in the small communities and the communities across the North is an issue that has been a problem for some time. We do have some money budgeted in the community governments formula to deal with dust suppression. Many communities have come forward to indicate that there is a need to look at this in terms of looking at putting more money towards it.

We, as a government, have undertaken a study to look at the situation in the different communities, to look at the different methods that could be utilized to suppress dust. We have looked at chipseal; we are looking at different types of dust suppression that are available in other jurisdictions. That study is in its final draft form. We will be reviewing the results in the next week or so, as soon as time allows us. We will be glad to share that with the committee members, and we would also be open to consideration to look at our business plan to see how we can accommodate that request that is being made by the Member. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Time for oral questions has expired. The honourable Member for Great Slave, Mr. Braden.

MR. BRADEN: Mr. Speaker, I seek unanimous consent to return to item 7. Thank you.

MR. SPEAKER: The honourable Member is seeking unanimous consent to return to item 7, oral questions. Are there any nays? There are no nays. Item 7, oral questions. The honourable Member for Great Slave, Mr. Braden.

REVERT TO ITEM 7: ORAL QUESTIONS**Question 23-15(4): Reduction In Corporate Tax Revenues**

MR. BRADEN: Thank you, Mr. Speaker and colleagues, for indulging my request. There is something that was brought to our attention earlier today that really demands a review and it should start today. My question is for the Minister of Finance, Mr. Speaker. It regards the message that we received this afternoon in his statement of a \$36 million clawback from Ottawa as a result of a corporate tax change some five years ago. I am wondering on this one, Mr. Speaker, do we call 911? Do we call a forensic accountant? What is going on here? This is a considerable turnaround in our financial fortunes here from, as the Minister said, a \$44 million surplus that was on the books. But today that, along with couple of other things, is turning into an \$18 million deficit. Mr. Speaker, my question is, is this \$36 million clawback real money? How are we going to repay this? What is the process involved here? Thank you, Mr. Speaker.

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

Return To Question 23-15(4): Reduction In Corporate Tax Revenues

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I guess I can say it's not Canadian Tire money.

---Laughter

We received the message and we were notified that in fact a company that had filed a tax return in the Northwest Territories was writing some prior years' losses against that filing and our portion of that filing that reimbursement, I guess, to the company is \$36 million. We were working with the federal government trying to ensure that on the other side of the scale there is an increase to the transfer side as our corporate tax or own-source revenues, as we call them, also impact on transfers.

There is a bit of a problem with that, because the new way that funding is flowing from Ottawa is on a straight level that has been agreed to until the Expert Panel on Equalization and Territorial Formula Financing does its work. At that point we will know how own-source revenues impact us, but we are continuing to work with Finance Canada to ensure that we are not at a net loss here initially. That is a loss and that is why in our fiscal position we have had to account for that liability and we know that the money will be taken out of the corporate tax payments that we would receive from the federal government.

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

Supplementary To Question 23-15(4): Reduction In Corporate Tax Revenues

MR. BRADEN: Okay, thanks. I think we will need an engineer, scientist at least, to help us connect all the dots. The explanation shows one of the frustrations that we deal with here, which is the complexity of our relationship with Ottawa, Mr. Speaker, I guess to the point of how does this impact or is this going to impact this year or in the near term, Mr. Speaker. Is this \$36 million clawback going to

impact our ability to continue our program spending or capital investment? Are we going to get hit on that side of our programs? Thank you.

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

Further Return To Question 23-15(4): Reduction In Corporate Tax Revenues

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the impact we feel the most would be on the surplus we had accounted for during the budget process. This budget year and the upcoming budget years, there is going to be a small impact. We will not be reducing the current expenditures that we have voted for and put in the budget, so there will not be a reduction scenario coming as a result of this information. Again, there are a number of other avenues that we are working on with the federal government which could impact us in a positive way that might offset this, but that's still up in the air as to what that might be. But for the immediate fiscal year we are in, there will be no negative impacts in the sense of reductions or curtailing our capital spending. We are going to continue with the plan we have put before us. We don't have right now a plan to change what would be in the upcoming process for next year. Again, there are a fair bit of avenues or issues that we are dealing with with the federal government that could impact the next year. As for this year, there will be no changes to our current fiscal strategy. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 7, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 24-15(4): Relocation Of The Territorial Treatment Centre

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I rise with further questions for our friends on the other side of this Assembly. The Minister responsible for the Housing Corporation is smiling because he knows I can't ask him any more questions today because the last one was taken as notice.

I have questions for the Deputy Premier of this Assembly, Mr. Floyd Roland, with regard to the TTC that's being taken out of Yellowknife. The Minister of Health and Social Services had mentioned that there was a facility in Fort Smith. So from the sounds of this, there will be two in the South Slave. Maybe if the Deputy Premier could help explain the scenario. Is this going to be a bit of a political shell game? Is this why we are moving this from Yellowknife down to Hay River? Is it built on an economizing measure where we are enhancing a program, or is it due to money? Thank you, Mr. Speaker.

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

Return To Question 24-15(4): Relocation Of The Territorial Treatment Centre

HON. FLOYD ROLAND: Thank you, Mr. Speaker. As the Minister of Health and Social Services has answered on a number of occasions in the House, he is preparing information to share with Social Programs and Members of this Assembly. It wasn't a political shell game. The facilities that are being referred to are contract facilities that are run by Bosco Homes at this point. That is why

there is reference to that facility, but information is being put together to be shared with Members of this House. Thank you.

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

Supplementary To Question 24-15(4): Relocation Of The Territorial Treatment Centre

MR. HAWKINS: Thank you, Mr. Speaker. Maybe the Deputy Premier could help emphasize some clarity. This sounds like a done deal and I hate to say it, but the Minister of Health has been in charge of the health portfolio for quite some time and I put a lot of faith in the fact that they must understand and know the depth of their portfolio. This decision must have been made quite some time ago, so there must be some information that they can share with us today. What was the business case that could justify this move? There must be some answer we could give this House today so we can move forward. We could be here for awhile. What does the Deputy Premier think of that? Thank you, Mr. Speaker.

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

Further Return To Question 24-15(4): Relocation Of The Territorial Treatment Centre

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, that sounds similar to a question asked earlier about the business case. Again, the Minister has provided to commit to providing that information to Members of this House before the end of this session. Thank you.

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

Supplementary To Question 24-15(4): Relocation Of The Territorial Treatment Centre

MR. HAWKINS: Thank you, Mr. Speaker. I am a little concerned that we have to wait until the end of this session; we should be waiting until tomorrow. Will the Deputy Premier be willing to commit to seeing if we could yield some of this high profile information, this high detailed information, because there must have been some business case put forward in order to decide to just move this out of Yellowknife. Would the Deputy Premier be able to bring forward this information tomorrow so we can deal with it in a timely manner, because we only have four days after tomorrow in this session to deal with this? Thank you, Mr. Speaker.

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

Further Return To Question 24-15(4): Relocation Of The Territorial Treatment Centre

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I will work with the Minister in seeing what timelines can be put into this. He has committed to bring it forward before the end of this session. I am not sure if it will be Monday or Tuesday, but he has committed to getting that information and we will honour that before the end of this session. Thank you.

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

Supplementary To Question 24-15(4): Relocation Of The Territorial Treatment Centre

MR. HAWKINS: Thank you, Mr. Speaker. I would also like to hear at the same time when we get this high level, detailed information that really speaks of why we are moving it out of Yellowknife and affecting both the staff and the children, what was the motivation that is preparing to move this out of Yellowknife. The e-mails I am getting now don't say we want to move to Hay River. The e-mails are saying what is going on. Can we hear some reasoning behind the motivation? What is the true motivation? Thank you, Mr. Speaker.

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

Further Return To Question 24-15(4): Relocation Of The Territorial Treatment Centre

HON. FLOYD ROLAND: Thank you, Mr. Speaker. As the Minister stated already in this House, this government already has a number of initiatives underway to ensure that all communities in the Northwest Territories benefit from some of the services we provide in the territory. That is one of the things we have to also keep in mind. Again, the Minister has committed to providing information to Members of this House, so that they can see the trail that's gone to this point. It's not something that came up yesterday. It's been discussed for some time and we will provide that information. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 7, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

Question 25-15(4): Diavik Employee Travel Policy

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I wanted to ask about the recent announcement of Diavik diamond mine with respect to the waiving of the cost or the contribution of the employees towards travel to and from their work, so now employees who reside in southern Canada do not have to pay anything towards that travel. Certainly there was a very extensive socioeconomic agreement put in place at the time that Diavik and BHP were coming online, and our government, I believe, worked very hard to ensure that maximum benefits to northerners through the socioeconomic agreement addressing things like purchasing, contracting and employing northerners and some of the benefits staying here, the secondary diamond processing and the list goes on. So I was quite surprised to hear this announcement by Diavik. I have spoken to it publicly myself and I have certainly had it raised to me as a concern by people who are trying to build their communities with the addition of these workers who are very valued people and make contributions in our community.

Mr. Speaker, the government has been eerily quiet on this subject. I understand that these are businesses operating here in the North. They cite things like labour market competition, needing to be competitive in their remuneration and salary packages as their reasons for waiving this transportation cost, but I think they are doing quite well financially. I am a little bit disappointed with what they are doing. My fear, Mr. Speaker, is once you start flying employees in from the South, then why not just get a bigger airplane and put all the goods on too, and we will be back to the days of Nanisivik and Lupin and we'll

just fly overhead. There goes our diamonds and the people flying over.

So my concern is I haven't heard much response from this government about this, which I think is going to have a major impact. So I would like to know if the Minister has had any communications with Diavik on this. What was the nature of his comments to them? Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Minister of Industry, Tourism and Investment, Mr. Bell.

Return To Question 25-15(4): Diavik Employee Travel Policy

HON. BRENDAN BELL: I have had several meetings with the company on this issue. I have had a phone conversation with Joe Carrabba who has now moved on. He has been replaced and I have met with his replacement as well to better understand why the company felt the need to do this. We had some discussion and I think the Member has rightly articulated the issues that the company was faced with: a very hot economy in Western Canada; having to compete with the oil sands for labour; having to compete with other projects; the startup of the diamond mine in Nunavut; the Tahera Mine and generally just a booming economy. All of these things were making it difficult.

Roughly 70 percent of their workforce is northern. Thirty percent of the workforce, and it tends to be in more professionalized skill areas, but 30 percent of the workforce currently flies in from the South, and in past they have been requiring them to pay for their travel and they've waived that.

Obviously we were concerned about this. We don't want to see an exodus of people living in the North to the South. But I think after meeting with the company, I have been reassured that the company does have a vested interest in trying to get up to 100 percent in terms of northern workforce. It would be much easier for the company. They see a lower turnover in terms of northern employees who are more acclimatized. So the challenge really becomes one of training, and I think that's why we've pinned a lot of hopes on programs like the Aboriginal Skills Employment Program, and the work of the Mine Training Committee, to make sure we get more people with the technical expertise trained so that we can move forward toward full employment from the North and not have to rely on southern fly-in employees.

So I did talk about our concerns about this, and the company I think is going to work as much as they possibly can to try and work with us and other partners to get our northern workforce increasingly trained. Of course, we're challenged by the fact that we have the lowest unemployment in the country. Despite having pockets of unemployment in some of our smaller more remote communities, it can be up in the neighbourhood of 40 or 50 percent, we do, overall as a territory, have quite a booming economy. So our challenge is to try to get those underemployed people meaningful employment in industry and we're going to work towards that. Thank you.

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

Supplementary To Question 25-15(4): Diavik Employee Travel Policy

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I see this move as being regressive and counterproductive to what we're trying to do, and that is to encourage people who work at the mines to live in the North, and everybody knows that the cost of living is higher here. I think that this move on the part of the company, I think they could have found other ways of compensating or increasing, enhancing the compensation of their employees other than this particular move. I'd like to ask the Minister how does he see this affecting other socioeconomic agreements that may be negotiated say for the Mackenzie gas pipeline. Does he not see this move and the acceptance of this move by our government without a lot of opposition to it as sending a wrong message to industry wanting to develop and take non-renewable resources out of the territory?

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

Further Return To Question 25-15(4): Diavik Employee Travel Policy

HON. BRENDAN BELL: Thank you, Mr. Speaker. We are sitting down to negotiate a socioeconomic agreement in terms of employment for the pipeline. I don't see the same reality there. We know that in terms of pipeline construction, there are so many more people required for this project than we can possibly hope to produce in the Northwest Territories in a short time. So the reality is that there will be quite a significant amount of employment that has to be sourced elsewhere.

I guess I would say that in terms of the diamond mines, the three different socioeconomic agreements are different. I've been personally involved in the negotiation of the one for Snap Lake. It doesn't have the same kind of provisions and neither does the BHP agreement, but there is a provision in the Diavik Socioeconomic Agreement for them to fly their southern workforce in for four years after the start of operations, which seems to me was September 2003. So until something like September 2007 they can subsidize travel from the South. So there's that four-year window. So they are in compliance of the socioeconomic agreement and that's why it would be very difficult for us to come out and suggest that they weren't living up to the terms of that agreement.

In addition, Mr. Speaker, one of the things they've been very successful at doing is having some of the highest northern employment targets of any industry around, and they are employing over 70 percent northerners. I think it would be hard for us to find another big industry company doing the same thing. So their track record is quite impressive. They have I think a good track record of wanting to work with northern companies, source from northern companies, get involved in community projects and they are living up to the terms of the agreement, and I guess that's the bottom line. Now should employment targets fall below that, then we have to go back to the company and say we have a real concern here, now you're not living up to the agreement and the terms of that agreement. But at this point it's hypothetical because they are meeting that threshold test. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. Third supplementary, Mrs. Groenewegen. Item 7, oral

questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 26-15(4): Relocation Of The Territorial Treatment Centre

MR. HAWKINS: Thank you, Mr. Speaker. Recognizing it has been a long day, I will just ask one question and quite quickly to the Minister of Health and Social Services with regard to TTC. That being said, it may be a little bit of a lengthy one, but it will be fast. Mr. Speaker, I'm trying to understand why this government preaches decentralization, about being fair and equitable and making sure everyone gets a fair shot, but the bottom line is I think the Minister just mentioned Fort Smith has a facility somewhat of a similar nature, and the bottom line is now if we remove the one out of Yellowknife and put it in Hay River that will be two south of the lake. That means one region now has two, Yellowknife has zero, and the northern region has zero, as well. So, Mr. Speaker, I guess my clear question to the Minister is if you can't provide the vehicle today, I'd be happy to receive it tomorrow. But the bottom line is why don't you consider moving the one from Fort Smith to Hay River if we're worried about backfilling on some facility that needs to be filled or extending the service appropriately, again, south of the lake when we're losing it out of the central region? Thank you, Mr. Speaker.

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

Return To Question 26-15(4): Relocation Of The Territorial Treatment Centre

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I'll give that request the consideration it deserves, as the Member has requested. The reality is a decision was made to move TTC from Yellowknife to Hay River, and it was a good decision. The capacity is there for Hay River to deliver that program and we've done our best to make sure we try to spread the resources around to the best of our ability as a government, though as we hear in this House from communities outside of Yellowknife that we should be doing more, we could be doing more. We take that into consideration when we try to make these decisions. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 7, oral questions. Item 8, written questions. The honourable Member for Great Slave, Mr. Braden.

ITEM 8: WRITTEN QUESTIONS

Written Question 1-15(4): Federal Contributions To The NWT

MR. BRADEN: Mr. Speaker, I have a written question for the Minister of Finance regarding the federal contributions to the NWT.

A number of potential new federal initiatives have been proposed for the NWT, such as gas tax revenue, Northern Strategy, infrastructure investment, for this fiscal year. Most if not all of these measures are contingent on the federal budget passing.

Could the Minister provide a detailed list of potential sources of new federal investments for the NWT this fiscal year?

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. Item 8, written questions. The honourable Member for Sahtu, Mr. Yakeleya.

Written Question 2-15(4): Alcohol Sales And Revenue

MR. YAKELEYA: Thank you, Mr. Speaker. I have a written question to the Minister of Finance.

1. What is the total amount of alcohol sales from the Norman Wells liquor store?
2. How many alcohol sales in total are there in the NWT?
3. What percentage of total revenue does the Sahtu region contribute to the total revenue by purchasing alcohol from liquor stores?
4. Are there any types of alcohol bans such as overproof alcohol in Canada?

Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. The honourable Minister of Industry, Tourism and Investment, Mr. Bell.

ITEM 13: TABLING OF DOCUMENTS

Tabled Document 2-15(4): NWT Tourism 2003-04 Annual Report

HON. BRENDAN BELL: Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled Northwest Territories Tourism 2003-04 Annual Report. Thank you.

MR. SPEAKER: Thank you, Mr. Bell. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motion for first reading of bills. The honourable Minister of Finance, Mr. Roland.

ITEM 15: NOTICES OF MOTION FOR FIRST READING OF BILLS

Bill 10: An Act To Amend The Income Tax Act

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I give notice that on Monday, May 30, 2005, I will move that Bill 10, An Act to Amend the Income Tax Act, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. 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. Item 20, report of Committee of the Whole. 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 Friday, May 27, 2005, at 10:00 a.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
 - Bill 1, Supplementary Appropriation Act, No. 1, 2005-2006
 - Bill 2, Supplementary Appropriation Act, No. 4, 2004-2005
 - Bill 3, An Act to Amend the Access to Information and Protection of Privacy Act
 - Bill 4, An Act to Amend the Education Act
 - Bill 5, An Act to Amend the Judicature Act
 - Bill 6, Miscellaneous Statutes Amendment Act, 2005
 - Bill 7, Personal Directives Act
 - Bill 8, An Act to Amend the Revolving Funds Act
 - Bill 9, Municipal Statutes Amendment Act
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
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 Friday, May 27, 2005, at 10:00 a.m.

---ADJOURNMENT

The House adjourned at 3:51 p.m.

