



NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

4th Session

Day 23

15th Assembly

HANSARD

Monday, February 6, 2006

Pages 745 - 792

The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Box 1320
Yellowknife, Northwest Territories
Tel: (867) 669-2200 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784
<http://www.assembly.gov.nt.ca>

TABLE OF CONTENTS

PRAYER	745
MEMBERS' STATEMENTS	745
MRS. GROENEWEGEN ON LIFE-THREATENING ALLERGENS IN SCHOOLS	745
MR. R. MCLEOD ON MANDATE OF NWT HOUSING CORPORATION	745
MR. BRADEN ON DECLINING CARIBOU POPULATION	745
MR. RAMSAY ON RECRUITMENT, HIRING AND RETENTION OF NURSES	746
MR. POKIAK ON NAME CHANGE FOR COMMUNITY OF HOLMAN	746
MR. MENICOCHE ON FUEL COSTS IN COMMUNITIES	746
MR. YAKELEYA ON RECOGNITION OF STELLA YALLEE	747
MR. VILLENEUVE ON TU NEDHE HOUSING ISSUES	747
MR. HAWKINS ON SUPPORT FOR DIAMOND POLISHING FACILITIES	747
MS. LEE ON GNWT SUPPORT FOR NEW FEDERAL GOVERNMENT	748
HON. FLOYD ROLAND ON CONDOLENCES TO FAMILY OF LEANA RODGERS	748
ORAL QUESTIONS	748
WRITTEN QUESTIONS	756
NOTICES OF MOTION FOR FIRST READING OF BILLS	757
BILL 19 - SUPPLEMENTARY APPROPRIATION ACT, No. 3, 2005-2006	757
BILL 20 - AN ACT TO AMEND THE INCOME TAX ACT, No. 2	757
CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS	757
REPORT OF COMMITTEE OF THE WHOLE	790
THIRD READING OF BILLS	790
BILL 13 - AN ACT TO AMEND THE FINANCIAL ADMINISTRATION ACT	790
BILL 14 - PUBLIC AIRPORTS ACT	791
ORDERS OF THE DAY	791

YELLOWKNIFE, NORTHWEST TERRITORIES

Monday, February 6, 2006

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

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Good morning, colleagues. Welcome back to the House. Orders of the day. Ministers' statements. Members' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

ITEM 3: MEMBERS' STATEMENTS**Member's Statement On Life-Threatening Allergens In Schools**

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, today I would like to turn our attention to something that is of great concern to many parents and guardians of young children not only my riding of Hay River, but also, I am sure, throughout the Northwest Territories. The issue I am speaking of is children with life-threatening allergies who are attending schools in the NWT. For example, Mr. Speaker, I am aware of a child in Hay River who has an allergy to peanuts. If this child comes in contact with peanuts, any by-product of peanuts, or any substance that has been contaminated by peanuts, he will become violently ill and could experience a life-threatening reaction. There are many children with allergies attending school in Hay River, which is a serious concern for parents. Although students and parents are requested not to bring peanut products to school, it has been reported that some children continue to pack peanut products in their lunches and recess snacks. This is of great concern for parents as this may inadvertently cause a life-threatening incident to a child with allergies.

Life-threatening food allergies -- most commonly nuts, peanuts or shellfish -- can kill children. True food allergies occur in roughly six percent of children. Anaphylaxis occurs in approximately one in 200 school-age children. One in six episodes of anaphylaxis occurs at school. Children spend over one-third of their waking hours at school. Studies of fatal anaphylaxis have demonstrated that patients who died from this have generally been exposed to their trigger unknowingly, away from home, and that essential treatment was delayed.

Mr. Speaker, in recent news, we have heard of two separate incidents that resulted in death in Edmonton alone, just in the past three months. Both of these young people came in contact with just traces of peanuts and that contact was fatal for each of them.

In closing, Mr. Speaker, my point is, although the government has some regulations in place and our school administration and teachers are doing their best that they can do to protect their students, there is still no legal restrictions in the schools to prevent allergic substances from being brought in where children's allergies could be

at risk. We must protect the children in our schools against exposure to any and all allergens. The only possible way to provide this protection is with legislation that would prohibit these allergens from being brought into the schools and making our classrooms a safe and healthy place for all children. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mrs. Groenewegen. Members' statements. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Member's Statement On Mandate Of NWT Housing Corporation

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the NWT Housing Corporation was established in the early 1970s to provide safe, adequate, and affordable housing to the residents of the Northwest Territories. Somewhere along the line, Mr. Speaker, they began to lose sight of the very reason for their existence. Providing housing, Mr. Speaker, is no easy task, as we found out during our pre-budget tour. Everyone has an opinion on the state of housing.

With the amount of complaints on housing, that has to tell us, Mr. Speaker, that something is seriously wrong with the direction that the NWT Housing Corporation has taken. Too many poor business decisions over the years have proven that the NWT Housing Corporation should not be involved in any further ventures. Leave the business dealings to someone else and stick to what the Housing Corporation was originally established for.

AN. HON. MEMBER: Hear! Hear!

MR. MCLEOD: Lend some technical experience when required and asked for, but for our sake, stay out of the business end. We can't afford any more blunders. How many units could have been put on the ground in the NWT, Mr. Speaker, with all of the money that we have lost so far? Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Declining Caribou Population

MR. BRADEN: Mahsi, Mr. Speaker. There is great concern recently, Mr. Speaker, with reported declines of caribou populations across the NWT and the Arctic. There are a couple of statistics here: the Bluenose West herd has dropped some 80 percent in size in the last 20 years. Mr. Speaker, the Bluenose East herd has dropped 40 percent in the last five years, and the Bathurst herd, one of the largest in the North, was reported to number

470,000 animals 20 years ago, but we are looking at a survey that was done in 2003. Their numbers are now 186,000, a 60 percent drop.

Mr. Speaker, last year, the Minister of Renewable Resources announced a major survey to try to account for these numbers. We are finding out that we are losing caribou at an ever-increasing and accelerating rate. In the management of this remarkable resource, Mr. Speaker, we have many different constituencies to satisfy: Dene and Métis communities and families who have relied on caribou for centuries and whose right to do so is well established in land claim agreements; Mr. Speaker, we have outfitters; we have a large population of resident harvesters who have also come to rely on caribou to supplement food on their dinner tables. But, Mr. Speaker, we have considerable gaps in our knowledge. The methodologies we have employed for the surveys, the impact of trophy hunting on breeding stocks, the cumulative impacts, Mr. Speaker, of almost 15 years now, of direct access into the heart of the Bathurst herd's wintering grounds through the resupply road to the diamond mines. There is a major gap, Mr. Speaker, in reporting harvests from aboriginal harvesters, whereas other levels are tightly monitored.

Mr. Speaker, the concern is that while we debate, compare, survey, study and discuss how to do this, are we destined to repeat those terrible legacies of other natural resources in Canada, the legendary bison herds that roamed the prairies, the codfish stocks of Newfoundland? This is not something that we should tolerate at all. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Recruitment, Hiring And Retention Of Nurses

MR. RAMSAY: Thank you, Mr. Speaker. I am going to use my statement today to address the issue of how the government is dealing with the recruitment, retention and hiring of nurses. I heard from a variety of sources that this government is paying substantial amounts of money to fly nurses in from southern Canada. If these nurses are needed and required, then I don't have difficulty in accepting that this is a practice that we should condone. However, there are a couple of issues with this that I want some clarity on. I want to know why new nurses moving to Yellowknife have to send in resumes three and four times and don't even get a phone call back from anyone to acknowledge that they have received it. There is absolutely no follow-up. Meanwhile, nurses continue to be flown in from the South with a huge price tag. Another item is that if you go out to Stanton, you can see all the numerous jobs posted on bulletin boards, but where else are these jobs posted? Most of them don't even appear on the GNWT web site.

All I can say is, Mr. Speaker, that I believe that this is another indication that we are standing by and allowing the centralization of human resources to cost this government money. I want to state again for the record that I feel that it continues to be in the best interest of our government to follow through with the development of a department of human resources. However -- and, Mr.

Speaker, it is a big however -- how long do we have to see and hear evidence from our constituents, employees and residents that there are substantial issues at human resources? I plan on addressing each of them during this budget session. This is the first one and it won't be the last time that you will hear me speak about concerns that I have with the soon-to-be new Department of Human Resources.

Mr. Speaker, specific to my concerns over the recruitment and retention of nurses, I will have questions for the Minister of Health and Social Services at the appropriate time. Thank you.

---Applause

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

Member's Statement On Name Change For Community Of Holman

MR. POKIAK: Thank you, Mr. Speaker. On October 26, 2005, I rose in this House to support the Hamlet of Holman's request to change the name from Holman to Ulukhaktok. Mr. Speaker, during the municipal elections in December 2005, a questionnaire was included asking the residents of Holman if they were in support of a name change to Ulukhaktok. Mr. Speaker, I am pleased to advise this Assembly that there was overwhelming support by the residents of Holman to change the name to Ulukhaktok. By changing the name, Mr. Speaker, to Ulukhaktok, it ensures the residents of Holman that their culture will be reflected in the name change. I would like to applaud the residents of Holman on their ambitious endeavour to grab the bull by the horn and pursue what they feel is reflective of their culture.

Mr. Speaker, this government will need to take the next step and implement the official name change to Ulukhaktok. Mr. Speaker, at the appropriate time, I will have questions for the Minister of Education, Culture and Employment. Thank you.

---Applause

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

Member's Statement On Fuel Costs In Communities

MR. MENICOCHÉ: Mr. Speaker, last session this House discussed the territorial-wide concern with dramatic rise in fuel prices. Last winter, the MLAs asked the various ministries to be proactive, rather than reactive, to what was inevitable. Furthermore, many constituents in Nahendeh have expressed their growing concern for the high cost of fuel and energy, especially in the small and remote communities. As indicated, prices have risen on two separate occasions in 2005 through the petroleum products division. Although prices rise and fall in the major centres, the prices in the 15 communities serviced by petroleum products seem to remain constant, with little or no price reduction.

In addition, petroleum products division purchases their fuel years in advance. Then why is it that current market conditions are affecting prices? As many residents have

stated, that with escalating costs of living in small and remote communities, healthy living is quickly becoming a lifestyle for the privileged.

As an MLA, I strive to see communities where families do not have to decide between heating fuel and groceries and to see a territory where living standards are equal. Every year, the communities in the North are rapidly changing and residents' concerns with the heating and fuel costs are becoming more and more frequent. This increase in necessary fuel costs will place hard-working families in additional financial hardship.

Currently, this government offers home heating subsidies and, although very needed, this is only offered to our seniors. Without very important programs such as these, the extraordinary heating costs experienced in the North would be overwhelming for elders and others with limited incomes.

On behalf of the small communities in my riding and throughout the North, Mr. Speaker, I ask that this government place energy costs a priority when deliberating how best to serve our constituencies. Mahsi cho.

---Applause

MR. SPEAKER: Thank you, Mr. Menicoche. Members' statements. The honourable Member for the Sahtu, Mr. Yakeleya.

Member's Statement On Recognition Of Stella Yallee

MR. YAKELEYA: Thank you, Mr. Speaker. I rise today to honour one of our constituents in the Sahtu region from Tulita. Her name is Stella Bayha-Yallee. She has 25 years of service as a housing manager in Tulita. I wanted to say that to the House, that she is one of the longest-serving members of the local housing authorities in the Northwest Territories. In light of all the stress, heartaches and bellyaches, she hung in there and stayed with us. She is a valuable member to the community, but also, more importantly, a valuable member to the Housing Corporation in terms of changes that we are going through. I wanted to say that the true test of her commitment to her job and to her people and to hang in there for 25 years.

Stella was born in Deline and moved to Tulita. She was advised to take this job as a housing manager in the community. She was successful in getting the job in 1981. Then she began working as a manager. She had one maintenance staff and 35 units to take care of. Although she learned then on the job and got training, today Stella manages over 75 units and has five staff members. Stella is a very strong and caring individual and highly respected in the community and in the region. She is married to Rodnick Yallee and has three daughters and two grandchildren. She volunteers much of her work in the community of Tulita. On behalf of the Sahtu region, I would like to congratulate Stella for her dedication and for her commitment and dedication, mostly for her 25 years of being in the housing office as a manager for the people. Mahsi cho.

---Applause

MR. SPEAKER: Thank you, Mr. Yakeleya. Members' statements. The honourable for Tu Nedhe, Mr. Villeneuve.

Member's Statement On Tu Nedhe Housing Issues

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, I know that, later on today, we will be reviewing the NWT Housing Corporation's budget in detail. I would just like to make a few comments about the housing situation and, in particular, my constituency of Tu Nedhe. In general, many of my constituents still have some long-outstanding housing issues that they simply refused to let this department sweep under the rug. These situations and predicaments have hindered improvements to lifestyles, cause undo hardship and resulted in many family breakdowns within my constituency.

Mr. Speaker, these things the Housing department seems to be used to hearing and, therefore, seems to have addressed these problems with displeasure and apathy. But because of this lack of service and the persistence of many of the community members to see some favourable and tangible improvements, these issues will not be swept under the carpet. I urge all of my constituents, and the others in the NWT with housing issues, to continue to fight with this government to get their housing needs addressed.

Mr. Speaker, I feel that we can change this government's priorities and practices, but we all have to work collectively and make it known that these priorities and practices are not practical and do not improve or solve many of the housing conundrums that we northerners have been raising, be it through the media or through this House and, sadly, throughout many years of our own natural lives only to find that, at the end of the day, there is never any serious consideration or government housing policy development which incorporates small community ideas and approaches resulting in our real needs are never being met.

Mr. Speaker, this has to change. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Villeneuve. Members' statements. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Member's Statement On Support For Diamond Polishing Facilities

MR. HAWKINS: Thank you, Mr. Speaker. I rise today to speak about the diamond cutting and polishing industry which provides 155 jobs here in the NWT. By the government's estimates, the current cutting and polishing facilities contribute \$9 million to the GNWT's GDP. When they are in full production, it will be \$20 million some day.

In order to attract and support value added industry, this government, in the past, created an MOU with the diamond mines to supply rough. However, the system is not working, Mr. Speaker, as it was originally envisioned. I have been told by one Yellowknife company that runs two plants that they are buying Canadian diamonds in Antwerp cheaper than they can buy them directly from our NWT mines. That is right, Mr. Speaker. It costs them less money to buy these diamonds from Antwerp and fly them

back all the way across the ocean and cut them here. Mr. Speaker, I have seen the numbers and it is horrible.

Mr. Speaker, this government needs to do whatever it needs to do in order to ensure the spirit and the intent of that MOU is followed through and lived up to. At the very least, we have ethical questions here of what is going on. The NWT is not the only game in town, Mr. Speaker. Other territories and provinces are currently looking at diamond cutting industries and trying to lure their companies into their provinces with incentives. If you would like to know who; well, Mr. Speaker, Quebec is willing to pay workers' wages for up to two years to attract industry into their province. Nunavut's first diamond mine will soon be in production. Who knows what might happen once they get going? Will they try to attract our diamond cutting industry in Yellowknife over to Iqaluit or Cambridge Bay? I don't know. If we want to keep our fledgling diamond industry alive, Mr. Speaker, we need to show it support. Rough diamonds need to be sold at a fair and reasonable price to our local cutters. It is horrible what is being done. That is it. That is all they are asking for is fair and reasonable price.

A former Member of this House once said -- and his name was John Todd -- they don't listen. Then we should be taxing them and we should be choking them like a mule to make them listen if that is what is required. Well, Mr. Speaker, it may be time to give that chain a choke and a jerk so those diamond mines stop holding our cutting industry as a hostage. I hope this government is willing and ready to provide the leadership to the cutting industry and show them that they are there for them, that they support them long before it is too late. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On GNWT Support For New Federal Government

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, over the weekend, I got thinking about this government's negotiating tactics and strategies with the federal government. When I saw the headline going across the television screen that read something like, NWT and Newfoundland support or like the vision of the new Harper government, Mr. Speaker, I am not sure if the national viewers would appreciate the intricacies of the NWT consensus government in the North. For certainty, I don't believe there is, or has been, such a generalized consensus on the NWT position.

Mr. Speaker, I, for one, have stated that I am willing to give the new Harper government a chance to show its stuff when it comes to what it can do for our devolution and resource revenue sharing talks. But as to supporting or liking their vision, I am not certain about that, Mr. Speaker, because I am not sure what it is yet. If their vision is an unfettered decentralized Canada where the central government is nothing more than a tax collector and a distributor of that cash to provinces, I do not believe that is the vision of Canada that I can support.

Mr. Speaker, I don't believe that is a good vision for a far-flung and small population jurisdiction like us, and for us a

good, strong national equalization formula with fair share of resource revenue sharing should be our priority.

Mr. Speaker, I also got thinking about the pros and cons of wrapping ourselves in with the other provincial Premiers who speak to dealing with "fiscal imbalance" by taking on more powers and share of federal revenue. Mr. Speaker, because the issue of addressing fiscal imbalances and what it means has yet to be made clear, I don't know what the Premiers of big provinces of Ontario, Quebec, Alberta, and not as big province of Newfoundland have in mind. But the last thing we need in this possibly unstable and short-lived minority government is to be mired in a power struggle or constitutional chaos with provinces while the NWT file gets pushed back to the back burner.

Mr. Speaker, we are not a province, but we are one with very unique circumstances to argue on all fronts. I believe we should keep our collective eye on that ball. Finally, Mr. Speaker, I believe the Premier has given enough indication of fuzzy and warm stuff to Harper. Now it is time for us to get the Prime Minister's attention, and respect, and deep comprehension of the NWT file that is quite different and separate from the rhetoric of the provincial Premiers. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Members' statements. The honourable Member for Inuvik Boot Lake, Mr. Roland.

Member's Statement On Condolences To Family Of Leana Rodgers

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I, along with my colleague, Mr. McLeod, from Inuvik Twin Lakes, would like to notify this House and send condolences to the Rodgers family up in Inuvik. They just lost their wife and mother, Mrs. Leana Rodgers. We were just informed of that late yesterday evening and want to send our condolences and prayers to the family. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Roland. Members' statements. Returns to oral questions. Recognition of visitors in the gallery. I would like to welcome anybody that is in the gallery today viewing our proceedings. It is always a pleasure to have people watching the proceedings in the House here. Oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

ITEM 6: ORAL QUESTIONS

Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Minister of Health and Social Services. It gets back to my Member's statement earlier today where I questioned how the Government of the Northwest Territories is recruiting nurses to work specifically at Stanton hospital. How many locum nurses is the territory bringing in to work in our hospitals? The second part to that question is, at what cost, Mr. Speaker? Thank you.

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

Return To Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we bring in locum nurses on an as-required basis with the various authorities in the different facilities. I can indicate to the Member that the largest amount or use of locum nurses is in the Inuvik region, followed by the Sahtu. We do pay a very stiff premium. Thank you.

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

Supplementary To Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I didn't hear the Minister mention how many nurses are we talking and at what price. I want a specific price from the Minister on what it is costing the government to bring in locum nurses here in the Northwest Territories. I also want to know if the Minister has a strategy to try to mitigate the amount of money that we are spending on bringing nurses into this territory. Thank you, Mr. Speaker.

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

Further Return To Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we spend in the neighbourhood of \$1 million a year on agency nurses. We do have plans to mitigate that. We have invested millions of dollars in the Northern Nursing Program at the Aurora College. We have been in a state of transition for the last 18 months. This coming spring, we anticipate, are planning, and are very glad to see about 24 nurse graduates that are going to be graduating with their four-year degree and nursing certification that we are going to be making job offers to. As well, we are looking seriously at ways to set up permanent float pools in Yellowknife, the Inuvik region and possibly the Sahtu where we would have nurses whose job it is to go and cover off and rotate through with the employees of the various authorities, but that would be in the North where we wouldn't have to pay that very dear fee that we feed to the agencies right now. Thank you.

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

Supplementary To Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I would be interested in knowing if that \$1 million went directly to the agency, or if it actually included the wages that were paid to these nurses. That would be an interesting thing to find out. I think that \$1 million probably went directly to the agency. I would like to finally ask the Minister, does he see a correlation between the amalgamation of human resources and the inability in his health care system to get nurses on the ground and

working here in the Northwest Territories? Thank you, Mr. Speaker.

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

Further Return To Question 338-15(4): Recruitment, Hiring And Retention Of Nurses

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. In fact, we anticipate, and we are starting to see, an improvement in our HR services now that we are consolidating, being more efficient and coordinating our efforts. The problems with nurses have long preceded the fact that we have consolidated HR. We continue to struggle nationally and internationally with a shortage of nurses. We have spent millions, as I have said, beefing up and coming up with a very good nursing program in the Northwest Territories. As well, we are also going to be developing an improved program for licensed practical nurses which will allow them to improve their scope of practice and bring in the two-year certificate program where they will be able to provide more support on the floor, two nurses in homecare and dialysis on the wards to help us offset and take off some of the pressures that are currently there on the nurses. Thank you.

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

Question 339-15(4): Life-Threatening Allergens In Schools

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Honourable Charles Dent, Minister responsible for Education, Culture and Employment. Many parents send their children off to school in the Northwest Territories everyday hoping and praying that if their child has an allergy to certain substances, that that child will not come into contact with that substance in their school day. Right now, it's difficult to offer those parents any assurances that their child will not be exposed to things that might be life threatening to them. I would like to ask the Minister of Education what his department has done to ensure that these children are protected in the school environment. Thank you.

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

Return To Question 339-15(4): Life-Threatening Allergens In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, I am aware of the urgency of dealing with this situation, and the Member raised the issue with us last fall. Since that time, the assistant deputy minister has written to all superintendents, urging the superintendents to ensure that they have a clear policy developed to deal with issues around anaphylaxis and to make sure that there is a policy in place at all of our schools. So we don't have policies in place at this point, but schools have been asked to develop those now. Thank you.

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

Supplementary To Question 339-15(4): Life-Threatening Allergens In Schools

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Quite often when we lack policies or legislation in certain areas, we like to look at what is being done in other jurisdictions, so that we can borrow best practices from already established practices. I would like to ask the Minister if he is aware of what other jurisdictions in Canada do to respond to this growing issue of allergies. Thank you.

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

Further Return To Question 339-15(4): Life-Threatening Allergens In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, I am not particularly aware of what all other jurisdictions do. I know the department has looked at what is done in some jurisdictions. I know that included with the letter that was sent out by the assistant deputy minister was a pamphlet that was provided by Health Canada around the issue of anaphylaxis and preparing policies. So we have been doing some research to find out from the federal government and other areas what is being done. We will continue to do that and watch for best practices. Thank you.

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

Supplementary To Question 339-15(4): Life-Threatening Allergens In Schools

MRS. GROENEWEGEN: Thank you, Mr. Speaker. One last question. Would the Minister be prepared to not only put in place a policy that would try to restrict the bringing of things that children are particularly allergic to into the schools, but also some type of a medical emergency response awareness within the school itself, because quite often these situations require immediate attention. It would not hurt for the educators to be aware of such responses. Would he go as far as to commit to doing that? Thank you.

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

Further Return To Question 339-15(4): Life-Threatening Allergens In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, I would be happy to say that we would follow up on that recommendation. We already provide schools with some direction for emergency response in a whole range of situations. It is my intention to share that with Members of this Assembly, so you can see how we are doing that currently. We are looking at expanding it to include specific references to anaphylaxis and how to deal with those instances. Thank you.

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

Question 340-15(4): Support For Northern Diamond Polishing Facilities

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, the owners of Arslanian Diamonds were in town last week

and they had a chance to meet with the Ministers of ITI and Finance. My question for the Minister of Finance is now that they have seen the number and the proof that this company can buy diamonds from Antwerp cheaper than they can buy them 300 kilometres north of Yellowknife, what is the Minister planning to specifically do with this challenge? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister responsible for Education, Culture and Employment, Mr. Dent. Sorry; Industry, Tourism and Investment, Mr. Bell. Mr. Hawkins, could you clarify for the Chair who you had directed your question to? Mr. Hawkins.

MR. HAWKINS: Mr. Speaker, I asked my question to the Minister of ITI. I said Arslanian Cutting Works spoke to the Ministers of ITI and Finance, but my question was directed to the Minister of ITI. They can do whatever they want with it. Thank you.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bell.

Return To Question 340-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. The Member is right that I, along with the Minister of Finance, met with the owners of Arslanian and Polar Bear factories to have this discussion. The allegations they have raised are concerning for us, so we have asked them to provide us with some documentation and that is something that we can then take to the company to have this discussion. I should point out the factory seems concerned only with one of the mines. I don't want to make the suggestion that it is all producers. We do have MOUs in place with both mines. Under the terms of our socio-economic agreement, there are diamonds set aside for northern producers. One of the challenges we have is that there was never any discussions or reference made to pricing in those agreements, but it is something we are sitting down to deal with with that company and look forward to making some progress. Thank you, Mr. Speaker.

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

Supplementary To Question 340-15(4): Support For Northern Diamond Polishing Facilities

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, the Minister of ITI could let me know what is the problem of possibly just calling up the president of that particular diamond mine that we are referring to and asking what the problem is. We shouldn't be choking our local diamond mines with the facts that you can buy diamonds in Antwerp cheaper than you can buy 300 kilometres north. Mr. Speaker, could the Minister look at placing a phone call so we can giddy-up on this problem and make sure we solve it quicker, rather than later? Thank you.

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

Further Return To Question 340-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. We are looking to get to the bottom of the issue. The Ministers

prior to myself have had the same concern raised and have sought to address it. One of the difficulties is that it's not as if this is a commodity traded on the open market and we can see the pricing arrangements made with various customers. The mines have customers overseas that they term core customers. They have private arrangements made with those customers. We are not sure how much the diamonds are sold to those customers for, so it's very difficult for us to make a determination around what kind of pricing arrangements, compared to other companies, our local industry gets, but we are working on it. Thank you, Mr. Speaker.

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

Supplementary To Question 340-15(4): Support For Northern Diamond Polishing Facilities

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, the Minister mentioned or alluded to the fact that it's an historical problem. I would like to hear that the Minister is working to put this in writing, so we can make sure at least a fair premium is charged in recognition of where we are in comparison to where Antwerp is. The diamond mines are on our doorstep, Mr. Speaker, yet they cost more. I would like to hear what the options are that the Minister is going to look at if the diamond mine that we are talking about doesn't step up to the plate and supply diamonds at a fair and reasonable price to our local cutters. Thank you, Mr. Speaker.

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

Further Return To Question 340-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. I believe the problem is an allegation of premium being charged to one of our companies over and above the price that Antwerp customers can pay. Of course, these diamonds are very easy and cheap to move to another location, so it's not as if it's onerous transportation costs that would lead to a higher price having to be charged in Antwerp. We are looking at it. It's hypothetical at this point as to what we might do if we are not able to resolve it. I do think we will be able to sit down with the company and talk this through and get some better understanding if a premium is being charged to northern companies. We believe that is not what should be happening. So I would like to work this through with the Finance Minister, as well, and with the company and see if we can't come to a beneficial arrangement for northern factories. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. Oral questions. The honourable Member for Nunakput, Mr. Pokiak.

Question 341-15(4): Name Change For Holman

MR. POKIAK: Thank you, Mr. Speaker. As I indicated in my Member's statement today, with the overwhelming support of the residents of Holman to change the name to Ulukhaktok in December 2005 and with my support, my question is to the Minister of ECE. When will the department implement the official name change to Ulukhaktok to reflect their culture? Thank you, Mr. Speaker.

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

Return To Question 341-15(4): Name Change For Holman

HON. CHARLES DENT: Thank you, Mr. Speaker. The names will change officially on April 1st, 2006.

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

Supplementary To Question 341-15(4): Name Change For Holman

MR. POKIAK: Thank you very much, Mr. Speaker. Thanks for the information, Mr. Dent. In that regard, will the Minister be travelling to Holman for the official name change? Thank you, Mr. Speaker.

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

Further Return To Question 341-15(4): Name Change For Holman

HON. CHARLES DENT: Thank you, Mr. Speaker. I had not planned on travelling to Ulukhaktok...

SOME HON. MEMBERS: Nay!

HON. CHARLES DENT: ...for the name change on April 1st, but I would be happy to accompany the Member to the community sometime in the not-too-distant future to celebrate the change of name.

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

Supplementary To Question 341-15(4): Name Change For Holman

MR. POKIAK: Thank you, Mr. Speaker. Just in that regard, since it's going to be officially changed on April 1st, wouldn't it be fair for the Minister to actually come down on that date, to accompany me to Ulukhaktok for the name change? Thank you.

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

Further Return To Question 341-15(4): Name Change For Holman

HON. CHARLES DENT: Thank you, Mr. Speaker. I will endeavour to look at whether or not I can move things around in my schedule to accomplish that. I do have some other travel plans, but if it's possible I would be happy to join the Member on that occasion.

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

Question 342-15(4): Meeting With Premier Danny Williams

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Premier of the Northwest Territories, in light of his meeting this weekend with Premier Danny Williams in terms of some sort of a cooperation strategy not to take our flags down, but to get the attention of the federal government in terms of our similar types of resource revenue sharing deals. What are

the Premier's plans in terms of working with the province and through the Council of the Federation? I'd like to ask the Premier in terms of his meeting with the Premier of Newfoundland. Thank you.

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

Return To Question 342-15(4): Meeting With Premier Danny Williams

HON. JOE HANDLEY: Thank you, Mr. Speaker. I had a very good meeting with Premier Williams on Saturday. The meeting was to talk about a national energy strategy. Of course, that includes resource revenues and where they will be allocated. Mr. Speaker, Premier Williams chairs a committee of the Council of the Federation. The other members of that committee are myself, Premier Klein from Alberta, and Premier Charest from Quebec. So what we are doing is working on a national strategy that hopefully would be presented on behalf of all the Council of the Federation Premiers to the Prime Minister and federal government. Thank you, Mr. Speaker.

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

Supplementary To Question 342-15(4): Meeting With Premier Danny Williams

MR. YAKELEYA: Thank you, Mr. Speaker. When can the Northwest Territories, along with two powerful Premiers on this committee, Alberta and Quebec, when would this council make the national energy strategy known to the other Premiers so that they can go forward to the federal government and, like Mr. Williams said, hopefully we can have all 13 areas in Canada, or provinces in Canada, all 13 be like Alberta. Thank you.

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

Further Return To Question 342-15(4): Meeting With Premier Danny Williams

HON. JOE HANDLEY: Thank you, Mr. Speaker. I just want to make one correction. There are four powerful Premiers on that committee.

---Applause

I take very seriously my responsibility to represent the North. I think it's very important that the North be on this committee. I hope that I can carry as much influence to the committee's decisions and recommendations as do the others.

Mr. Speaker, our intention is to table a draft national strategy at the Council of the Federation meeting in July. Assuming that the other Premiers are onside with what we're recommending, it would then become a document forwarded to the federal government and, of course, then the public. Thank you, Mr. Speaker.

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

Supplementary To Question 342-15(4): Meeting With Premier Danny Williams

MR. YAKELEYA: Thank you, Mr. Speaker. My apologies to the powerful Premier, Mr. Handley. I hope he doesn't

tell me to take a hike here. I'd like to ask Mr. Premier, in terms of the National Energy Strategy going forward to the Premiers and forwarded on to the Prime Minister, what would be in the National Energy Strategy involved this side here in terms of putting together something that would be supported by all Members within the Territories to bring this forward to a final recommendation? Thank you.

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

Further Return To Question 342-15(4): Meeting With Premier Danny Williams

HON. JOE HANDLEY: Mr. Speaker, I would certainly be very willing to brief all of the Members of this House as we progress in putting the strategy together. This was our first face-to-face meeting to think through how the strategy would be put together, what would be the elements to it, how it would be structured. I can't make it public at this point because we would have to have the agreement from all of the Premiers before we'd do that. But I'd be happy to brief Members privately and when it's agreed that it should go public, I'll certainly be the first to make it available to everyone. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

Question 343-15(4): Nahanni Butte Access Road

MR. MENICOCHÉ: Mahsi cho, Mr. Speaker. My question today is to the Minister of Transportation. The community of Nahanni Butte have long-term plans of completing their access road and are looking for assistance from the Department of Transportation in that they're wondering if they can work with them to advance the funds or even co-sponsor a loan to advance the funds on constructing the road. I think it's \$1.2 million, where the government has plans to spend \$200,000 a year. The community is looking at getting a guarantee from the government to build the road in one or two years. Is the Minister and is the transportation ministry willing to look at an alternative like that to complete this road? Mahsi.

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

Return To Question 343-15(4): Nahanni Butte Access Road

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, yes, we'd be interested in sitting down with the community of Nahanni Butte to talk about the proposal for the public access road to the community. It's something we're in discussions with in the case of other communities, so we'd, of course, be glad to sit down and discuss this with them also. Thank you.

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

Supplementary To Question 343-15(4): Nahanni Butte Access Road

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. Just with that, I was wondering how much work was going to be done by the department on that access road this year, because this discussion has to take place soon so that they can start looking at the bulk of the construction next year. I know that the Minister previously indicated to

Nahanni Butte that they were not interested in co-signing such an agreement. The Minister said that he's willing to do that. So I would just like to get some type of commitment that it can be a reality to assist Nahanni Butte in getting this road completed soon. Mahsi.

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

Further Return To Question 343-15(4): Nahanni Butte Access Road

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, we have committed to providing I think it's \$250,000 a year for a period of four years to the Nahanni Butte access road. It's something that we are very interested in doing and in a lot of cases it's to create partnerships with the communities or the development corporations in the communities. We have had discussion in several other communities about the possibility of doing so. We, of course, would have to involve the Department of Finance in this whole discussion to ensure that the FAA is followed, but we'd be glad to do so. We'd be glad to sit down and look at what the community's proposing and responding accordingly. Thank you.

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

Supplementary To Question 343-15(4): Nahanni Butte Access Road

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. That is exactly what the community is looking for, at least some type of commitment other than...I think the key here is to bring the answer over to Nahanni Butte, instead of going there and saying we'll take that for further consideration. That's what I'm asking the House here today. Have a serious look at it, Mr. Minister. Come up with a plan to see if you are willing to co-sign a loan on behalf of Nahanni Butte. Like the last co-venture, they did contribute towards the cost of the road and they have indicated to me that they are willing to do that again, but that's an expression of interest and they'll go a long ways in having your ministry co-sign this loan. So once again, can the Minister provide at least some type of indication or answer to the community? Mahsi.

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

Further Return To Question 343-15(4): Nahanni Butte Access Road

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, before we can say yes or no, or I respond to the community's request, we'd have to see a lot more detail. We are quite interested to sit down and talk to communities. Other communities have come forward and demonstrated that there is a cost savings of having some of the money fast-tracked into a one-year period where we would save on the mobilizations cost and also the demobilization. So we'd be very interested to sit down with them. Whatever we can arrange through a meeting with the community along with the Member, I'd be glad to sit down and have that discussion. Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. Oral questions. The honourable Member for Range Lake, Ms. Lee.

Question 344-15(4): Support For Northern Diamond Polishing Facilities

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my questions are also to Minister of ITI and it's in regards to questions earlier raised about the diamond mines and its supply relationship with the secondary mining industry. Mr. Speaker, I think we, in this House, recognize the important and positive contribution that both the diamond producers and the secondary industry provide to the North, and I don't think I'm going to use the overused phrase of choking any mule here. I think, though, there is a role for the Minister to play in this regard, and it seems to me there are some points of differences between the producer in question and the cutting and polisher, and differences in understanding. But it seems to me that the ball is with the plant to give some evidence as to what the price difference might be. I'm wondering what the time frame is that the Minister is working with to bring these two parties together and see if the government can play some positive and constructive role going back and forth between the two. Thank you, Mr. Speaker.

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

Return To Question 344-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. I'm hoping that the issue and the concern can be resolved immediately. I've asked the cutting and polishing factory group of owners to provide the information that they have that they feel suggests they are being overcharged, provide the company in question with that information, copy me with the information so that I can see it as well, bring the two parties together and have this discussion. I think it's important that this has been lingering for some time without anybody having a real concrete understanding, just a feeling that they were not being treated fairly. So I think we need to resolve it. I have asked the cutting and polishing company to document the information and we'll move forward if we can get that. Thank you, Mr. Speaker.

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

Supplementary To Question 344-15(4): Support For Northern Diamond Polishing Facilities

MS. LEE: Thank you, Mr. Speaker. I can tell you that the plant operators have met with most of the Yellowknife MLAs, and certainly this is an issue that is important to us and that needs to be addressed. It seems to me that the core question is with respect to price for the core customers. So I think the diamond plant is not looking for a special privilege, but just to get a fair core customer price, and the question remains as to what that is and as to whether or not there is a premium being charged and, if so, how much. I guess what came out of my discussion of this that really surprised me is lack of written document in this regard. We know that there's a third diamond mine coming up and we know there are discussions and I'd like to know what the Minister is doing to make sure that does not happen on the third time around. Thank you, Mr. Speaker.

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

Further Return To Question 344-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. The Member is right; the concern here is around pricing. The factory, of course, would like additional rough. Everybody would like additional rough, but I think they understand that the rough being provided is what was agreed to and it really does come down to the pricing. I think the issue of core customer pricing with core customer status has some requirements, as well. You don't have the choice of turning back rough or rejecting it. You have to take all of the rough allocated to you. That is not the case with the factories here. They are able to go through the allocation and sort of pick and choose, if you will. So there are some benefits here that the factories get that you wouldn't get in Antwerp, aside from the pricing debate or question. I think we're getting better, to answer the second question, with these agreements as they move forward.

The second mine, there really aren't any concerns from the producer or the factories in terms of the allocation provided by the second mine. They feel that they are being treated fairly. I can assure the Member that the deal with the third mine will be very crystal clear in terms of what the expectations are and what should be provided for the local industry. Thank you, Mr. Speaker.

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

Supplementary To Question 344-15(4): Support For Northern Diamond Polishing Facilities

MS. LEE: Thank you, Mr. Speaker. I hope I don't have to quote that if he doesn't get a crystal clear documentation of the third agreement, but I will give him the benefit of the doubt. Mr. Speaker, on the question of the first one, it's the question of pricing as a core customer, but also the ability and flexibility to have some room to manoeuvre on to the quality of diamonds. I think there might be some room for discussion as to what things work for the cutting and polishing plant here. Because there's a lack of a precise and clear agreement, and because of the role the GNWT has played in creating a second industry, that's where the leadership of this government comes in. I'd like to hear the Minister say once again that he will lead this file to make sure that the two parties are brought together and that there will be an agreement in the interest of Yellowknife and both industries. Thank you, Mr. Speaker.

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

Further Return To Question 344-15(4): Support For Northern Diamond Polishing Facilities

HON. BRENDAN BELL: Thank you, Mr. Speaker. I appreciate the question from the Member. Of course, yes, I will take the leadership of bringing these two companies together. We'll sit down with the top leadership in the mine to better understand their feelings of how this arrangement is working. I should mention that in Antwerp, of course, core customers get an allocation of rough. Again, they have no choice but to take all of it and have to pay cash right now. I think the mines have been very agreeable to the idea that this was an industry in its infancy. They have held parcels, sometimes for quite long periods of time, waiting for the cutting and polishing factories to get the money together to buy the parcels. I think, for the most part, the arrangement and the

relationships have been very, very good between the mines and the cutting and polishing industry. We now have this one issue of dispute around pricing and look to resolve it as quickly as possible. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. Oral questions. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Question 345-15(4): Provision Of Safe And Affordable Housing By GNWT

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the NWT Housing Corporation is always changing directions and my question is for Premier Handley. I'm wondering if this government has ever considered following suit and creating a department of housing whose sole mandate would be to provide safe, adequate and affordable housing? Thank you.

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

Return To Question 345-15(4): Provision Of Safe And Affordable Housing By GNWT

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, we have considered the possibilities, but following the changes we are making with regard to social housing, the first step, in our view, is to do a review of the mandate. What should the mandate of this government be through the Housing Corporation for the future of that organization? Once we determine a new mandate, then, Mr. Speaker, as a second step, we could look more specifically at the suggestion the Member has. Thank you, Mr. Speaker.

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

Supplementary To Question 345-15(4): Provision Of Safe And Affordable Housing By GNWT

MR. MCLEOD: Thank you, Mr. Speaker. The new department, based on previous numbers, would have a budget of approximately \$90 million. That would go a long way to providing safe, adequate, and affordable housing. The CMHC funding is going to sunset over the next 30 years, meaning that the reason for keeping the NWT structure may no longer be needed. Would the Premier commit to taking this into consideration in creating a new department of housing whose sole mandate would be to provide safe, adequate, and affordable housing? Thank you, Mr. Speaker.

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

Further Return To Question 345-15(4): Provision Of Safe And Affordable Housing By GNWT

HON. JOE HANDLEY: Mr. Speaker, we have agreed to a process for reviewing the mandate within a very specific time frame. The first task, in our view, is to go out, hear what people have to say, what MLAs have to say, what people who work in the housing authorities have to say with regard to the mandate. Following that, Mr. Speaker, then, yes, I'd be willing to take a look at what organization would be most suitable for our changing situation. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Oral questions. The honourable Member from Great Slave, Mr. Braden.

Question 346-15(4): Declining Caribou Populations

MR. BRADEN: Mahsi, Mr. Speaker. My question this afternoon is for Mr. Miltenberger as the Minister responsible for energy and renewable resources, and it regards the state of our caribou populations, Mr. Speaker. We've essentially seen, from many indicators, that as the herds have been declining, we've known that for some time, but the rate at which they're declining is speeded up, it is now something that is really causing a lot of concern. Mr. Speaker, what is the government doing to manage the alarming trend of declining caribou herds and avoid the terrible legacies of the past as it plundered the species of Canadian buffalo and codfish? Will we be able to avoid our caribou from joining that terrible legacy? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. Honourable Minister responsible for Environment and Natural Resources, Mr. Miltenberger.

Return To Question 346-15(4): Declining Caribou Populations

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, there's not enough time during this forum for me to outline all the things that we are doing, but I'd like to reassure the Member that we are doing we think all that is required. We're going to be coming forward here by the 15th with a whole slate of interim measures; we're looking at redoing the census numbers this coming year and the following year; we've been working very, very closely with all the renewable resource boards up and down the valley and, as well, our partner jurisdictions to look at making sure we have the accurate information, keeping in mind this is a very complex issue where there's not just one factor that's going to contribute to the current state of circumstances when it comes to the numbers of caribou. Thank you.

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

Supplementary To Question 346-15(4): Declining Caribou Populations

MR. BRADEN: Thank you, Mr. Speaker. Indeed the management of wildlife is something that is incredibly politicized and bureaucratized in the North. Let's take a look, just for instance, at the very, very unattainable NWT Wildlife Act that's been out for I think over a decade now in consultation and still has very little chance of seeing its way to the floor of this House. Mr. Speaker, to the caribou now, I wanted to ask the Minister, we're putting a lot of resources, we have a lot of very good expertise and we're putting a lot of money into finding out what's going on among the caribou. I wanted to ask specific to the Bathurst herd, this herd, the biggest one, that migrates into this part of the country; what do we know today about what is causing the decline of the Bathurst caribou herd, Mr. Speaker?

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

Further Return To Question 346-15(4): Declining Caribou Populations

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I'll just quickly outline some of the many factors that we think are affecting not only the Bathurst herd, but the herds in general. There's things called weather events where we experience a lot of freezing rain in the last number of years during the winter that has frozen the ground making it very, very difficult for the animals to feed. There's concern that the number of predators is very large and extreme. There are hunting issues. There's more roads now and access to hunting than there's ever been before. There are development issues. So those five alone are significant issues that we're trying to assess, keeping in mind that they all have an impact. The question is how much. As well, as the Member pointed out in his statement, we do have some information gaps that we are trying to fill so that we can make the most informed decisions possible. Thank you.

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

Supplementary To Question 346-15(4): Declining Caribou Populations

MR. BRADEN: Mr. Speaker, to the reference that the Minister made to the many different partners, stakeholders, that are coming into play here. Is there a collective will, Mr. Speaker, to recognize that we have an urgent situation on our hands, and a will to take action? Thank you, Mr. Speaker.

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

Further Return To Question 346-15(4): Declining Caribou Populations

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, very clearly we are of the strong opinion that the numbers indicate that we have a problem we have to address very, very quickly and carefully. All the boards up and down the valley have accepted that information. There is some question and some people that would like to have the numbers redone, and we'd like to confirm them, as well, just to make sure that our numbers are accurate. So there is a problem, and I can assure the Member that we are going to move on this. We've been working on it now for many months to come up with the interim measures plus a broader barren land caribou strategy that we're going to bring forward for discussion. But by the middle of this month, we will have on the table some of our immediate sets, as well; shortly following that, the long-term plans. So there will be actions taken, I can assure the Member.

MR. SPEAKER: Thank you, Mr. Miltenberger. Oral questions. The honourable from Tu Nedhe, Mr. Villeneuve.

Question 347-15(4): Housing Subsidy Program

MR. VILLENEUVE: Mahsi, Mr. Speaker. My question today is to the Minister of Education, Culture and Employment just to talk about the public housing rental subsidies that are going to be coming into effect April 1, 2006. I just wanted to ask the Minister, now that the clients have to apply on a month-by-month basis for this

housing subsidy with their income support worker and bring it to the LHO, how is that going to change the income security officers' working relationship with the clients that are applying for housing subsidies. Is that going to affect any of that interpersonal relationship with the client? Thank you.

MR. SPEAKER: Thank you, Mr. Villeneuve. Honourable Minister responsible for Education, Culture and Employment, Mr. Dent.

Return To Question 347-15(4): Housing Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. I would expect that the relationship would be no different than in the office with the income support worker than it is in the housing office right now. Those people who are in stable situations wouldn't have to come in necessarily every month. It's not our intention that that sort of thing would change. Right now, typically somebody who is in a stable situation will have an arrangement with the housing authority where they may only go in once every six months, or once a year. The same sort of circumstance is going to apply for people in stable situations when the income support offices are responsible, as well. Thank you, Mr. Speaker.

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

Supplementary To Question 347-15(4): Housing Subsidy Program

MR. VILLENEUVE: Thank you, Mr. Speaker. I guess I'm just trying to figure out, people that are in public housing are usually in unstable situations, Mr. Speaker, and I think anybody that's in public housing considered stable is somebody who's unemployed permanently and never wants to work and only wants to pay the \$32 a month. That's my picture of somebody being stable in public housing. But I just want to ask the Minister if their housing subsidy application is not filed, what are their options? Say the income support worker couldn't make it into the communities. She fell ill or something and she missed the month. What are the other options for clients to get that subsidy? Thank you.

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

Further Return To Question 347-15(4): Housing Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. I guess the people I was talking about who are secure...There are more than 1,300 clients of the NWT Housing Corporation right now who are not on income support. So they're, obviously, in a fairly stable situation. They have salaries and in a situation where their subsidy doesn't change that much from month to month. In terms of back-up plans, just as we do now with people who need income support, we'll have to make sure that there are alternatives in communities to make sure that the service is delivered, just as we need to make sure that people have money to buy groceries. The same sort of responsibility will be required when people need a subsidy for housing. Thank you, Mr. Speaker.

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

Supplementary To Question 347-15(4): Housing Subsidy Program

MR. VILLENEUVE: Thank you, Mr. Speaker. Just another scenario, I guess. If a person changes, if their household income is changed and then they reapply for the housing subsidy program but they miss the deadline, the rent goes to the maximum amount of rent, then it goes back to them. Is there an avenue for adjusting and how long does that go back? Thank you, Mr. Speaker.

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

Further Return To Question 347-15(4): Housing Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. As with all programs of the government, there is an appeals process. If somebody finds that they haven't an opportunity to meet the program requirements adequately, they can appeal the decision and ask that it be reapplied. The same process will apply here.

MR. SPEAKER: Thank you, Mr. Dent. Oral questions. Written questions. Honourable Member from Inuvik Twin Lakes, Mr. McLeod.

ITEM 7: WRITTEN QUESTIONS

Written Question 22-15(4): EDAP Program

MR. MCLEOD: Thank you, Mr. Speaker. My question is for the Minister responsible for the NWT Housing Corporation.

1. What is the number of clients assisted through EDAP in the Beaufort-Delta region in the past two years?
2. What are the amounts received by each client, by community?

Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. Written questions. Honourable Member from the Sahtu, Mr. Yakeleya.

Written Question 23-15(4): Agency Nurses In The North

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

1. Can the Minister provide a list of numbers of 2004-2005 agency nurses in the North and what is projected for 2006-2007?
2. Can the Minister provide a breakdown of agency nurses in the region in the year of 2004-2005?
3. Can the Minister provide the average stay in the role of nurses in the regions?
4. Can the Minister provide an outline of reducing the role of agency nurses in the regions?

Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. Written questions. The honourable Member from Kam Lake, Mr. Ramsay.

Written Question 24-15(4): Locum Nurses In The NWT

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

1. What are the number of nurses and dollars spent on locum nurses in the NWT over the last 10 years?

Thank you.

MR. SPEAKER: Thank you, Mr. Ramsay. Written questions. Returns to written questions. Replies to the budget address. Petitions. Reports of Committees on the review of bills. Tabling of documents. Notices of motion. Notices of motion for first reading of bills. Honourable Minister responsible for Finance, Mr. Roland.

ITEM 14: NOTICES OF MOTION FOR FIRST READING OF BILLS**Bill 19: Supplementary Appropriation Act, No. 3, 2005-2006**

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I give notice that on Wednesday, February 8th, 2006, I will move that Bill 19, Supplementary Appropriation Act, No. 3, 2005-2006, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. Notices of motion for the first reading of bills. Honourable Minister responsible for Finance, Mr. Roland.

Bill 20: An Act To Amend The Income Tax Act, No. 2

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I give notice that on Wednesday, February 8th, 2006, I will move that Bill 20, An Act to Amend the Income Tax Act, No. 2, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. First reading of bills. Notices of motion for the first reading of bills. First reading of bills. Second reading of bills. Consideration in Committee of the Whole of bills and other matters: Bill 18, committee reports 5, 6 and 7, with Mrs. Groenewegen in the chair.

ITEM 17: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRPERSON (Mrs. Groenewegen): We have a number of items before us in Committee of the Whole today. I would suggest that we take a break now and resume with opening comments for the NWT Housing Corporation immediately after the break. Is the committee agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Okay, thank you.

---SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen): I am going to call Committee of the Whole back to order. We have in front of us Bill 18 and in the order of departments, the first one we want to deal with is the NWT Housing Corporation. At this time, I would like to ask Minister Krutko if he would like to please provide the general comments for the NWT Housing Corporation. Mr. Krutko.

HON. DAVID KRUTKO: Yes, Madam Chair. Madam Chair, I am pleased to present the Northwest Territories Housing Corporation main estimates for the fiscal year 2006-2007 for a total contribution of \$26.828 million.

This is an increase of 2.4 percent from the 2005-2006 main estimates. Including other revenue sources, the corporation will spend over \$120 million on housing in the Northwest Territories this year. This funding includes contributions from our federal partner, the Canadian Mortgage and Housing Corporation.

During 2006-2007, the NWT Housing Corporation is planning a significant increase in our housing delivery to help address the housing needs of our residents. The corporation will invest \$32.896 million to construct 185 housing units in communities across the NWT. Included in this allocation are 73 public housing replacement units and 112 homeownership units under the Supported Lease Program to assist families to become successful homeowners. This ambitious plan is subject to continued support from the federal government in the amount of \$50 million over two years.

The Housing Corporation also plans to invest \$10.439 million in modernizing and upgrading our rental stock through our local housing organizations and we have set aside \$4.448 million to fund emergency and other repair programs, and various seniors' programs such as the seniors/disabled preventative maintenance program and the Senior Citizens' Home Repair Program.

The Housing Corporation is committed to meeting the targets set out in Motion 21-15(3) passed by this Legislature. The 185 units planned for delivery this year, along with those planned for next year, will put us on target to reduce core need by 10 percent by 2007. Investments made during the life of this Assembly have made a positive impact, but much work remains.

As you are aware, during the past year, the corporation has been involved in redefining its mandate. MLAs have expressed concerns about the level of involvement of stakeholders in this process. I have heard these concerns very clearly. As a result, a consultation process with MLAs, LHOs, community leaders and other stakeholders will occur over the next few months. Following this process, we will return to standing committee with the results of the consultation for their review.

The corporation made significant progress in its efforts to lobby the federal government during 2005. As Members may be aware, the federal government made significant commitments to deliver new affordable housing in the NWT prior to the election call. However, the election of a new government has caused a delay in the formal approval of those commitments until a new federal Cabinet is formed. We intend to resume discussions with the Honourable Diane Finley as soon as possible.

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

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Krutko. At this time, I would ask the chair of the Standing Committee on Social Programs, Sandy Lee, if she would please provide for us the comments by her committee. Thank you. Ms. Lee.

Introduction

MS. LEE: Thank you, Madam Chair. Members of the Standing Committee on Social Programs, as Members of the Accountability and Oversight Committee, were involved in the new pre-budget consultation process with the people of the Northwest Territories in late August of 2005. Hearings were held north and south of the Lake, and gave ordinary northerners and non-governmental organizations the opportunity to provide input to MLAs on the priorities that the budget should focus on.

The committee then met with the Minister and his officials on Wednesday, September 21, 2005, to review the draft business plan of the Northwest Territories Housing Corporation.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the NWT Housing Corporation since the committee reviewed the business plan in September.

Committee noted the total operating budget for the Northwest Territories Housing Corporation for 2006-2007 is planned at \$122.486 million, or is \$122 million...\$122.486 million. Sorry. Of this total amount, the corporation proposes \$85.658 million in revenues or non-cash items, and a GNWT contribution of \$36.828 million.

The following outlines committee members' issues from their review of the 2006-2007 Draft Main Estimates for the Northwest Territories Housing Corporation and the new budget planning cycle.

Pre-Budget Consultations

The one consistent concern heard in all communities was the need for more housing. The majority of presenters felt that if we could reduce overcrowding and provide suitable and affordable housing in the communities, many of the pervading social problems that exist would be relieved.

The standing committee has heard this concern and will be working with our Cabinet colleagues to formulate a plan to address the long-term housing and attendant social problems in the North during the final two years of our Assembly.

Madam Chair, at this time, I would like to ask my colleague from Sahtu, Mr. Norman Yakeleya, to continue with the report.

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

New Mandate And Structure For The Delivery Of Housing In The NWT

MR. YAKELEYA: Thank you, Madam Chair. Much of the discussion at the committee level over the budget planning cycle has focused on the need for a new mandate and structure for the NWT Housing Corporation.

With the transfer of responsibility for existing social housing to the Department of Education, Culture and Employment there is an opportunity to revitalize housing programs to meet the housing needs of all northerners.

Over the next year, the committee will be working with its Cabinet colleagues to come to a consensus on how

government can best address the housing shortage in the NWT.

Once roles have been defined, work can begin on developing a government-wide business plan that will secure community and aboriginal governments' cooperation in developing the building lots our communities require to build the houses that we need.

Focus For Capital Spending

During the pre-budget consultations, we heard many stories of people living in housing units that lack adequate water and sanitary systems and heating sources.

Many of these units were built for people who have subsequently aged and are now having trouble in keeping up with the chores that a house with minimum services demands.

During the review of the business plans in September, the committee made a recommendation that the Housing Corporation focus on those units that lack adequate water and sanitation systems and heating sources. The corporation has agreed with this recommendation.

Renewable Energy Sources

During the review of the business plans in September, the committee made a recommendation that the Housing Corporation incorporate the option of installing woodstoves in all housing packages sold to northerners. The corporation has agreed with this recommendation.

At this time, Madam Chair, I will ask my colleague, MLA Bill Braden, to continue with the report.

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

Federal Funding For Social Housing And Non-Market Communities

MR. BRADEN: Thank you, Madam Chair. Much of the money for new social housing and housing in non-market communities is predicated on the federal government providing a significant portion of the required funding.

With the recent change in government at the federal level, it is unclear when, or even if, the funding for northern aboriginal housing contained in the Kelowna Agreement or the Novel housing proposal will come to the Territories.

Members of the committee are concerned with the plans of the corporation should the potential federal funding for these new initiatives not materialize, Madam Chair. There does not appear to be any plan on the part of this government to address the housing needs of northerners within the context of our present financial reality.

The committee is not saying we abandon pushing the federal government for more funding to take advantage of the Novel housing proposal and to address the shortage of housing in many of our smaller communities, but we, as a government and territory, should be prepared to react to our housing crisis on our own.

The committee looks forward to further information on the economic viability of the Novel housing proposal and other options on financing much needed housing in our communities.

For now, Madam Chair, the NWT Housing Corporation needs to focus on what it can do today, not what it may be able to do five years from now if the federal government comes up with the money.

I would like to ask, Madam Chair, my colleague from Inuvik Twin Lakes, Mr. McLeod, to carry on with the report.

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

Policy Issue - One House In A Lifetime

MR. MCLEOD: Thank you, Madam Chair. Many of the first clients of the NWT Housing Corporation's programs are now senior citizens. They no longer require the three or four-bedroom houses they had built for their young families. However, these people now find themselves unable to access any of the services of the corporation, because of the one house in a lifetime policy.

The committee is of the opinion that the corporation would be able to free up houses for the private market if it were to provide smaller housing packages/construction services or possible bridge financing for those elders who no longer require such a large home, but still wish to live in their own stand-alone house.

Committee will be pursuing this with the Minister responsible for the NWT Housing Corporation.

NWTHC And School Trades Programming

The Standing Committee on Social Programs is pleased with the support that the corporation has been providing to school trades programming.

Exposing young adults to the trades and letting them work on real world applications is the only way that they would be able to make intelligent career choices that take into account the opportunities in the trades.

Members are concerned that in providing housing packages to the schools, the Housing Corporation has thus far concentrated on larger communities. The committee is not saying this is the fault of the Housing Corporation and suspect that it is more a result of the corporation taking advantage of the opportunities that are presented to them.

However, the committee would like to see the Housing Corporation, in cooperation with the Department of Education, Culture and Employment, make a concentrated effort to expand into smaller communities and work on developing partnerships with industry and other levels of government.

Madam Chair, I would like to ask the Member for Nunakput, Mr. Pokiak, to carry on. Thank you.

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

Land Issues

MR. POKIAK: Thank you, Madam Chair. Should the corporation be successful in securing federal financing under the aboriginal housing Initiative and for the Novel housing project, they will be faced with the problem of a

lack of suitable, developed land in virtually every community in the Northwest Territories.

Our discussions indicate that the corporation is alive to this issue, but Members were concerned that there was no specific mention in the business plan narrative about the need to cooperate with other departments and levels of government.

When the committee looks at the problems the corporation had and is having in securing land for the 45 units under the market housing initiative, we cannot help but have feelings of trepidation when the corporation is proposing building or placing 1,600 units in the communities over the next 10 or so years.

It is very important the Housing Corporation makes sure that communities and governments understand the magnitude and expectations that will be placed on them, should the corporation secure federal funding. At minimum this would require concentrated and coordinated partnerships and firm agreements with municipal and aboriginal governments to be reached beforehand.

As previously mentioned, once government roles are defined, we can proceed in developing a business plan to engage our aboriginal and community government partners in developing the building lots we need.

Financial Counselling Services

Members are concerned with financial counselling services being delivered by the district offices in the smaller communities. The committee was especially surprised with the RFP looking for a contractor to develop this program since the committee's expectation was that the work would be done in house. Will there be adequate follow-up after the initial meeting to ensure that people stay on track in saving for their first home, or will people be left to sink or swim on their own?

This is the primary concern that the committee will be looking to be addressed in the program, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Pokiak. At this time, I will ask that if Mr. Krutko would like to bring witnesses into the Chamber, is committee agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Krutko. I would ask then, please, that the Sergeant-at-Arms bring the witnesses into the Chamber.

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

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

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. So we will then proceed to general comments for the NWT Housing Corporation. Mr. Braden.

MR. BRADEN: Thank you, Madam Chair. I would like to start with a few specific queries to the Minister's opening statement. It starts off, Madam Chair, right in the third paragraph where the Minister told us that in the coming

fiscal year, the corporation is planning a significant increase in housing delivery, some 185 units, \$33 million. A number of them are replacements for public housing; the Supported Lease Program to assist people to become homeowners. These are very much at the core of why we want a successful housing agenda, but, Madam Chair, the statement then goes on to say this ambitious plan is subject to continued support from the federal government in the amount of \$50 million over two years.

The report of committee, Madam Chair, specifically highlighted that we are concerned that the Housing Corporation is planning and relying too much on projected plans on the ability or the will of Ottawa to deliver on promises or expectations and that we continue to miss the boat and we continue to not meet the needs of our people because our planning is not solid enough. Madam Chair, if the Housing Corporation is becoming before us to tell us of something as critical to the NWT, something as major as a \$33 million investment for 185 housing units but it's still subject to continued support from the federal government, what do I have as a committee member to approve? It's a hope; it's a maybe. I want to know what is the Housing Corporation going to be capable of doing in the coming fiscal year, Madam Chair, not what it hopes to do dependent on the federal government. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we are committed to the 185 houses that we have budgeted for, but it is hinging on federal support. As we know, there was a call for election. The majority of this money that has been identified has already been approved by the federal House of Commons July 28th when they passed Bill C-48. Bill C-48 was \$1.6 billion for housing in Canada, and out of that we put a proposal to my federal colleague, Mr. Fontana, of which we gave him two proposals. One was for 530 houses, \$60 million over three years. The proposal went forward to CMHC and he came back in regards to stating that we were going to get \$50 million over two years and the money has been identified by way of a budget item that will have to be approved through Treasury Board. So it is presently sitting before Treasury Board. Because of the federal election, the meeting did not take place and it is presently, I understand from CMHC, on top of the pile to be approved by Treasury Board. So that's where the money is at. I do have faith because of the minority government we have again, that those dollars that have been approved through the \$1.6 billion, the passage of Bill C-48, those dollars have already been budgeted for through the House of Commons. Thank you.

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

MR. BRADEN: Madam Chair, so sort of best efforts on everybody's part, including the federal government, the previous government. We still have something in abeyance; it's not for sure. So I guess my own dilemma continues here, Madam Chair. The spending allocation by Treasury Board it's at the top of the pile. What are the chances that it's going to see approval before the end of our budget session, Madam Chair? Maybe we'll go at that. Let's take that angle. You know, if we, for instance, left the Housing Corporation's budget until the latest possible time, might we see approval of this federal government and more certainty that we can approve this?

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

HON. DAVID KRUTKO: Madam Chair, as we all know, the federal Cabinet was just pointed today, so it will take them awhile before they are able to sit down and formulate the dollars that have been approved through Treasury Board, and then it will have to flow to their Cabinet colleagues for approval. So we can't dictate to the federal government on exactly how fast this transition will take place. But it is, basically in order for this government to operate, they will have to approve expenditures. By way of that decision, by way of the Cabinet and Treasury Board, it's out of our ring to dictate when that can happen. But the process will have to flow. Now I know who the federal Minister is. I will be contacting her as soon as possible to see exactly how soon, or when this item will be dealt with. I haven't had that contact yet, so it's speculative of me to elaborate any farther than that. But I think by making that contact, with the information we've received from CMHC, it has been positive that our basic request is in the system to be approved by Treasury Board.

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

MR. BRADEN: Thank you, Madam Chair. It still doesn't help resolve my concern that by the time we get to the point where we have to vote the Housing Corporation's expenditures here, we may not know, even if we defer the corporation's detail approval, even if we defer it to the end of the month, we may not know in time. So I'd like to know what's plan B here. If the feds don't come through in time, is the Housing Corporation still going to commit to a \$33 million/185-unit housing program, or just what is the extent of what we're able to do if the feds don't come through, Madam Chair? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as you know from the budget, we are approving the \$38 million and that money will be expended on the delivery of the 185 units. Yes, there may be a delay in delivery because already the winter road access and whatnot. There will be delays. There's our mandate change that will possibly cause some delays. We have land issues we have to deal with. So there will be technical delays through the process. We are still committed to meet the goal where the motion passed in this House to deliver the housing needs to bring down our core needs by 2007. How we get there, yes, it will mean we do have to have resources. But this year we feel that we can deliver on the amount of money that is going to be approved here before the House and the other dollars we have internally.

With the question of the federal support, I feel pretty positive that it is there and that will be carried forward. The allocation we were looking at is that we were looking at over three years because the federal obligation under Bill C-48 has to be expended in two years. So we were going to look at putting our money at the back end of this delivery process in year three. So because of that, we'll just have to readjust our funding so we're funded at the front end, and use federal funding to pick it up at the back end. Thank you.

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

MR. BRADEN: Okay. So then I want to go back to the opening statement then, Madam Chair, where the Minister said this ambitious plan is subject to continued support from the federal government. Then this plan is not subject. From what I've just heard, whether or not the federal government comes through with the bucks doesn't matter. This is the target that we're going to be proceeding with and that you're asking us to vote on. It is not subject to the federal government. Is that the way we should be looking at this now, Madam Chair? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, the allocation we're looking at for the federal government is \$50 million over two years. If we don't get any of those dollars from the federal government, it will have an impact on our ability to deliver the number of houses we're looking at: over 500 houses over the next three years. It will have an impact on that. The crucial thing is that we have to have that federal funding to be able to deliver the 500 houses. It's just that without that federal funding, we will not be able to deliver 500 houses over the next three years.

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

MR. POKIAK: Thank you, Madam Chair. Some of the questions I was going to ask were taken care of by Mr. Braden already, so I wouldn't dwell too much on those ones. The only comments I would like to hear from the Minister, Madam Chair, is in regard to his mentioning consultation with MLAs and LHOs, community and other stakeholders. What I'd like to know from the Minister is what timeline is he looking at. Is he looking at the next couple of years, or the next three/four months, or what timelines? What is the deadline prior to the consultation process? Thank you, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we are hoping to have the consultation concluded in the next two to three months, so we're able to have something back for our next sitting which is in June. So we're hoping to arrive at that date with the review and have that completed and have something hopefully back to committee and back to the House for June session. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. For the past year-and-a-half I've been looking at the corporation trying to set out a new mandate, so it's been a long process coming now. If the Minister is very firm that within the next two to three months that the consultation will take place, I'm assuming that he's got his department right now working on a process for consultation. So is that correct? Is the Minister getting his department ready to visit the communities for consultation? Thank you, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we do have people from different areas. The committee will be chaired by the assistant deputy minister of the strategic planning from the Executive. Along with him will be somebody from the directorate of budget and evaluation, which is FMBS. Along with that, we will have our chief financial officer, Mr. Jeff Anderson, as part of this committee. Now, committee will go out to meet with the stakeholders through the local housing authorities, mayors, chiefs and MLAs, and also we will be reviewing it with other journal departments. We are hoping to have the report completed, or report back, hopefully, by the end of May, or May 15th at the earliest. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. I am just going to go back to sort of follow what Mr. Braden is talking about. The Minister indicated that we are looking at probably 500 houses over the next three years, pending the federal government's funding. I am just wondering, as Mr. Braden pointed out earlier, are we going to continue to deliver these houses for the next three years, as the Minister indicated? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, at our present allocation for housing, we deliver roughly about 118 houses using our budget exclusively. The additional units use the federal funding, is key. But again, I do have faith in the federal system that we have had the legislation passed. We have had dollars identified which is \$1.6 billion. Out of that, CMHC has devised a way to allocate, and through the provincial-territorial housing Ministers, I believe we have had support from our colleagues in the provincial and also federal levels. I think, because I feel comfortable that we will get some positive results, but again, if we don't get it, we will be delivering roughly about 118 houses. The goal is for 185. That is what we are hoping to deliver this year. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. I have just one last one here. How soon will the Minister meet with the Honourable Diane Finley in regards to the funding? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. As soon as possible. As soon as I can get a phone number, give her a call, congratulate her and see how soon we can meet. So ASAP.

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

MR. POKIAK: Thank you, Madam Chair. Just for clarification in regard to the 73 public housing replacement

units. I have 185. I think for clarification, if you replace 73 public housing units, that is not really addressing some of the housing shortage. How can I rephrase the question? Seventy-three replacement units; will those be new units over and above the 185? I just need clarification. Thank you, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as we all know, we do have an aging public housing stock. We do have to replace it. As you know, the funding that we have will be transferring to Education. There is a declining amount over the next number of years which will climb to zero. We have really lost our O and M to operate a lot of our public housing units. The only way we feel that we can be able to continue that is to build more energy-efficient and multi-unit construction and phase out units that are not as energy-efficient and very expensive to operate.

Also, there is a question about land and land availability in a lot of communities. We will have to reprofile a lot of these lands that are there to be able to use them for different types of construction. Again, we are looking at that. Again, we do have to replace a lot of our public housing units which basically have exceeded their usage. We do have to reallocate a lot of our O and M, so that is the reason that we are looking at replacement and finding more energy-efficient housing and also making them more energy-efficient by multi-constructed facilities. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. In regard to the \$4.889 million emergency fund repair programs, what are some of the stipulations as to these people having a requirement to access this fund? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as you know, we are revising our power by allocation. Right now, we have some 14 programs we do deliver. We are trying to consolidate them down to five areas. Because of the changing delivery of our programs, we are hoping it is more user-friendly and people would be able to have better access. In regards to the \$4.888 million, it is application based and people will have to come forward, fill out the applications and have it approved based on the regional and community allocations. That is the process we presently use. Again, we are hoping with this change, it will make it more user friendly for people to access programs and make them simpler to understand and don't have as many restrictions as we presently have. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. Can the Minister give us an idea of what you mean by user friendly for access of funds? Is there going to be an easier access for the people? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we have heard a lot of concerns over the years from Members in this House and people in the public about how programs have basically been delivered. You heard a concern here this morning about a person getting a once-in-a-lifetime application for clients for housing and how we are able to work around this, but, presently, I mentioned, we provide something like 14 to 19 different types of programs. We are trying to basically consolidate into five general areas. I think that, by doing that, it will simplify the process for one thing, but also allow more flexibility to mix and match different programs which, right now, you have to apply on each one. Right now, we are hoping, by simplifying the program, you only have to apply in five different areas than actually having to go to every application or program that is out there. With that, we are looking forward to seeing this program being rolled out, but also seeing that we will find a system that is more user friendly to our clients. Thank you.

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

MR. POKIAK: Thank you, Madam Chair. Just one last question here for the Minister in regard to the corporation plan to invest 10.439 in modernizing and upgrading the rental stock. Can he give us an example of what he means by that? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we do what we call MNIs in communities, which are major and minor repairs to most of our public stock. It is where a large portion of this is to basically do repairs to keep our houses in certain conditions to make sure that they are not falling below certain standards. So those are basically repair programs that are done annually by the housing authority. The money has been identified for all of the communities to do repairs on their housing stock. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Next I have Ms. Lee.

MS. LEE: Thank you, Madam Chair. I would like to offer some comments to the Minister's opening statement, as well. It is fair to say that probably for all Ministers in this chamber, they are probably more anxious to talk to the newly minted Cabinet Ministers in Ottawa than they might be interested in talking to us at the moment. Such is the vital importance that the federal counterparts play for our government. We have never had a change in government like this in 13 years. Pardon me? I thought the Premier was trying to say something here. If I could just finish my statement, I am just going into a prelude here.

Madam Chair, I think it has such importance. There is nothing as important that the federal government does for us or as important as the housing. I guess it is fair to say that a lot of our funding right now for the Housing Corporation is in a bubble. Perhaps anything critical I say to the Minister will all be forgiven if he manages to secure additional housing money from the new Housing Minister.

Having said that, I think our work is two-pronged. We have to get our agreements out of the federal government, but it is also important that we manage our in house business well. The issue that I want to just start with with

the Minister is to do with mandate, specifically of the Housing Corporation, but just general orientation of the Housing Corporation. I want to say of the people and the leadership of the Housing Corporation. I want to speak this in a very positive way. I am really trying to be productive and constructive as not only a Member of this House, but as a chair of the Social Programs committee because I need to tell you that the work and the mandate of the Housing Corporation has been a topic of discussion in so many different areas and not just in our committee, but in every other committee that we all sit in down the hallways. I think it is time that the Minister and the leadership -- and that includes the Cabinet -- really address their minds to the issues of housing. I don't think there is one more important issue. Maybe after life, it is a basic shelter. Every time we go anywhere, we hear of the need for social housing in the North. The only thing that is quite simple, but vital, that we are trying to do, is to work the corporation mandate and the budget in such a way that we help to do that.

So far, what we are getting from the corporation and the latest example of trying to change the mandate, Madam Chair, speaks to and really expresses the lack of communication going on. I don't know where that is coming from.

Madam Chair, for example, here in his opening statement, the Minister speaks to the fact that he has heard the MLAs expressing concerns that he is going to do consultation, but he just said that he is going to do it in the next two or three months and he is going to come to the committee with the findings. That is exactly the backward way of doing that. In the last six months, we have had to address letters to the Premier, Minister of Finance, to the Housing Corporation just to explain what it is that we are trying to get. I would suggest to the Minister that he probably should come to the committee first. He has six Members there. Maybe we should talk about what the terms of reference should be on this review.

Minister of Education, I don't know how many consultations he has going. One of the things he did turned out to be that...Sometimes you can consult with stakeholders and you might find that what the people have in mind are quite different than...The Minister of Education has a consultation going on on income security. He did one on a Yellowknife facility. I think the Housing Corporation could do more to consult with MLAs and communities and LHOs about so many things that people are speaking about how we can best spend housing money.

Madam Chair, in the last business plan, in the year just passed, the Housing Corporation has seen a transfer of \$30 million for income, the low-cost housing or social housing, I guess, that it is commonly known as. That was transferred to Education, Culture and Employment. That constituted a huge amount of that department's budget. That should just tell you that that would require the corporation to re-look at what it is they are doing and how do we best address our needs and such and how do we rewrite this mandate. Yet we didn't hear from them even still now. I cannot believe how a corporation could put a budget together and not really know exactly what their mandate should be and what the end objective is. In all of our communications, I just want to let the people who work at the Housing Corporation to know that, when we are being critical or when we are giving input like this about the mandate or changing the work of the

department, it is not really geared toward the administrative body of that. It is really geared toward the leadership. The latest communication, in our frustration, that we sent to the Minister really speaks to looking at it from the bottom to the top, looking at it widely, looking at it, how do we best address the social housing. Do we do it in a corporation way? Do we do it in a department way? We want to open that up and have a really wide discussion about that. I think it is really important for somebody to say that this is not meant to be a negative exercise. This is not a blame game exercise. This is not saying anything about the staff of the Housing Corporation. I just want to really make it clear. I want to say that, as a chair and as a Member in this House, as we go forward -- and I think all of us here take this responsibility very seriously -- in terms of addressing the mandate and responsibility and the role of the Housing Corporation, that we are aiming the responsibility right at the top of the administration and the Minister and the Cabinet.

In terms of us giving them political direction and political vision about where we would like to see this very important program go forward, I would really like to see this Minister, before it is too late, to just reorient himself slightly more into the membership rather than...If he spent as much time that he does with the industry and lobbying the federal minister, which is an important part I suppose, if he spent as much time doing that as he spends time talking to us and talking to the members of the Social Programs committee or even AOC, and just not only talking to us but listening to what it is that we are saying and not make us write three different letters to three Ministers just explaining what it is, something pretty basic but vital that we are asking for, I think that, in the next three to four months, we may make some headways in that regard.

The Novel housing issue is just one more example of that. I don't want anybody to challenge when I say that I don't care about social housing or small communities when I ask this question or ask anything about Novel housing, but I think it is symbolic of how this Minister and this government, by and large, on this topic, deals with issues like this. They decide. The budget address of the Finance Minister said they are going to deal with social housing. On page 5, he says, on top it says they are going to deal with critical housing needs in our communities by promoting the conversion of pipeline workforce housing. I don't believe it is the government's role to promote an idea like that. If it is a good project, it will stand on its own and convince us, but it is not the role of the Minister or the government to promote an idea that really is coming from a third party altogether and speak to, once again, my problem with the way this Minister is dealing with this file in that he is not as open to us in the way that he should be. I am hoping that, by saying this, we will have more open and different orientation from the Minister.

Madam Chair, I do want to end with one question that was very specific that came to us during the pre-budget hearing. That is from people who are talking about the fact that rent scale has changed a lot and the rent that is being charged for existing housing is going up all the time, but that there has been not a lot of work done in renovating and enhancing those housing. I would like to know how much of new money that they are getting from

the changes in rent scale is going to fixing those units up. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, just in case the Member doesn't understand, I have been here for 10 years and housing is probably one of the biggest priorities for myself and also the ridings that represent the challenges are not just unique to my riding or the Member's riding through the Northwest Territories. The challenge we have is a national crisis right across Canada. What we are doing here is to change the mandate to the corporation, is to find a mechanism that we are able to deliver 185 houses, being able to deliver 500 houses over three years. But in realizing that, in 1992, the federal government, through the CMHC, made a decision to get out of building social housing. It is a national problem which is this crisis we have today. That is where it originated from.

I think it is important to realize that, through this consensus style of government we have, we have to work together to find solutions to these problems. I think that, yes, I have come to committee. I have met with the federal Minister. But it is part of the process that we go through. I am not going to say that I didn't make an attempt to go to committee, because I have. I have gone there. I wrote a letter back in October 24th. I did not get an allowance or time to meet with them until the first week of December. I think it is important for the public to realize that happens a lot in this House. We do have to go through a process. The process is a formal process to request to sit down with committee and time to be slotted for our briefings. I just want to make sure that we basically got direction back from the Premier that, because of concerns of members of the AOC, the mandate process will be dissolved to a committee which will consist of people from FMB, the Executive and ourselves, which will go out, get public consultation and then come back, which I will not be involved with to keep it at hand's length from myself and also from the department. I think the decision was made in the context that we're asking for 20 positions. Those positions, as far as I feel, are crucial to us being delivered the 500 houses over the next three years. Everybody knows we have some major challenges by way of land deliveries, by way of comments made in Members' statements about market housing, the challenges that we face there. That was 45 houses. I think the whole area of inspections on our units, how come we don't have people doing ongoing inspections when we are constructing our units? Again, we have only one lands officer in the whole department. In order to put down 185 houses, we need 185 lots. So I think the scope of this problem is a lot bigger than we believe. I think Members have to realize that the Housing Corporation, when I came to this House in 1995, had 195 positions. Today, they have just a little under 100. They have almost cut themselves in half since pre-division; and then division, we had 144. I think the scope of this problem, because we have allowed it to erode to where it is today, the challenges are there. A motion was passed in this House. In order to meet the 10 percent reductions to bring our core needs down by 2007, we have to put houses on the ground in order to make a difference in people's lives. I just wanted to make that reference. But I think it has to be made clear here that I have been meeting with the opposition's Members, Jack Layton.

Jack Layton is elected again in the House. My former colleague, Mr. Joe Fontana, was the Minister of Housing, is now back in the House of Commons, and also the Prime Minister of Canada, who made a crucial difference in regards to the conference in the Kelowna meeting with the aboriginal conference that took place. Again, these people are all elected back to the House of Commons. I don't think that they will let go of something they've worked on by securing a funding for housing but also securing funding for First Nations people in this country. Thank you, Madam Chair. I will leave it at that.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. A technical issue. If Members take the full 10 minutes and the Minister takes another five or six minutes for questions, in fact, somebody who is waiting in line to speak, we are not going to be revolving, going to another Member every 10 minutes here. I am not sure how committee wants to deal with that, but it is just something to think about. I don't see a quorum in the House, and this is Committee of the Whole, so I am going to use my prerogative as Chair to ring the bells to get more people in here.

---Applause

---Ringing of the Bells

Okay. Just a small mystery here now. I rang the bells because there was no quorum in the House. I am the chair. I thought I was in control of the button. The bell is turned off. I am curious who turned them off. Did Mr. Krutko turn them off? Okay. I'm sorry. I just want to know. That is just a small technicality.

---Interjection

CHAIRPERSON (Mrs. Groenewegen): Okay, so much for my prerogative as the Chair. Alright. Then we will resume Committee of the Whole and I will now turn the floor over to Mr. Yakeleya.

MR. YAKELEYA: Thank you, Madam Chair. Madam Chair, the Minister's comments, I want to ask a few questions. I think the basic presumption or thing that the people in our communities are looking for is that homes be built in the whole Northwest Territories. The Minister is right and the Members are right. We seem to be always in a crisis mode in the North in terms of homes, how much get built in the regions and in the communities. I am very curious in terms of the number of homes being built in the North and maybe specifically in the Sahtu because, in the last couple of years I have been here, past reports indicate that our region had the highest number of core needs. Overcrowding causes other health factors and other consequences of these homes. I wanted to ask the Minister in terms of the homes that will get built this year and in the next couple of years out of the 185 units that are being planned. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Yakeleya. My apologies to Mr. Krutko. I know how the bells got turned off now. My apologies for any insinuation. I want to tell the Members that, on the list right now, I only have two more Members who have already spoken on general comments. So if you want to get on the list and have priority over those who have already had a 10-minute slot, please put your hand up. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, at the present time, roughly, we construct about 100 units a year. The Member is right; because of the needs surveys that we have done over the last number of years, we have been basically trying to ensure that we do everything possible to bring down those core needs in those communities that have high core needs. The Sahtu is one of the areas. This year, we are hoping to allocate some 35 houses. Like I say, over the next number of years, as we all know, the motion was passed in this House to bring down those core needs by 2007. In order to do that, we have to really make a difference to delivering houses in communities in the regions and also ensuring that we find a mechanism to do it. I believe that we are hoping over the next three years to really make a difference in the Sahtu region where we are hoping to construct some 94 units in the next three years which will make a difference to the people in the Sahtu. Like I say, this year, we are looking at 35; the next year 31; and the following year 28. I think, by having this many houses built in the Sahtu region, we will definitely have a handle on the housing crisis that we have in the Sahtu region. So working with the Members and also the Member for the Sahtu, I know it is crucial that we have heard concerns from Fort Good Hope in regards to their housing crisis and in communities like Colville Lake because of the access problems. Again, that is the scope of what we are hoping to deliver in the Sahtu in the next three years. Thank you.

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

MR. YAKELEYA: Thank you, Madam Chair. Thank you, Mr. Minister. The Minister's question mark on the federal government's final commitment to release some of the funding for us to continue on with the housing in the Northwest Territories. I wish you luck in terms of securing that funding from the federal Minister and have approval from the Treasury Board. That's still up in the air. We're going to have to wait and see on that. The deal's not done until it's signed off and all set to go here, like other things this government has planned for the Northwest Territories.

In saying this, Mr. Minister, in terms of upgrading your rental stock, my second question, Madam Chair, in terms of the rental stock, I know in some places in our communities we are paying full price for a house that's not up to grade or the assessment of the value of the house against the assessment of the amount of the rent. I know you're upgrading the rental of the units. Is there any consideration of assessing the rent to the value of the place? For example, Madam Chair, some people live in the units for 30 or 20 years, yet we assess them at the full value of almost a new house and they don't see it as fair. They don't mind paying for good quality homes, but if the homes are in good shape. So I think there's some consideration going out to our people in the Sahtu and also other regions of the Northwest Territories. Pay fair value for fair market unit. I want to ask the Minister if he would give some consideration to that issue. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, presently we do that. We do have a system in place where we take the condition rating of the unit and then we determine what the basic condition rating is and subtract that from the rent. The rent is based on the condition rating of the house right now, so you don't

pay the full cost. You pay based on exactly what the rate of that unit is. It is subtracted from the total price and then that's the price that we use. So we do that right now, based on the condition ratings that we use for our public housing stock, and that's how we come up with the rental amount.

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

MR. YAKELEYA: Thank you, Madam Chair. Madam Chair, the other one is that the Minister indicated almost \$5 million going to emergency and other repair programs and various programs for seniors and disabled preventive maintenance programs and senior citizens home repairs. So I want to ask the Minister, in terms of some of these seniors' English being a second language, how is it being communicated to them for their eligibility or the requirements for these type of programs? Or even the disabled. I know it sometimes gets tossed over to the Department of Health because they have to fund certain programs. Housing will build them, but they have to get, it will cost them some money. How will the seniors, where some of them are very independent, that they know that these funds are available and what criteria they need to apply for it. That I want to know in terms of rolling out the programs in these various avenues to get funding. So I ask the Minister that question. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we have been working with the Seniors' Society of the Northwest Territories. We have worked out a contribution arrangement with them where we are meeting with them with our program people, explaining the different programs and developing pamphlets and whatnot that are simpler and easier to understand. Like I mentioned, we are trying to consolidate our programs to go from 15 programs to five areas. The seniors are very instrumental in helping us with that. Also, we do have liaison officers. We're working with communities to sign universal partnership arrangements with us to hire people in the communities to be liaison officers to go around and explain to the elders the different seniors' programs. It has been proving to be pretty beneficial in those communities where it has improved our relationship with our seniors and people with disabilities and other residents of those communities. So we have tried a few different things and it has worked. I think it's also important that we work with the local housing authorities to be more involved with the residents in the communities, to work with the seniors, to make them aware that these programs are out there and also allow them to have access to it. Thank you.

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

MR. YAKELEYA: Thank you, Madam Chair. Madam Chair, these programs are application based, so some of these elders would need some good quality time to sit down and take the application in English and translate it into Slavey and then have it again translated back to English. I hope that these liaison people who are in the communities would have that type of support from the local district offices in the regions, and then also from headquarters, that these programs need to be filled out properly by the elders and they have to know how these programs run and that there's only so much money

allocated per region, per community, per senior in the communities. In the Sahtu there's 197 seniors who are over 60 years old. Not every senior is going to have access to funding or to these type of programs. That has to be very clearly spelled out to our people. I want just to make that comment to the Minister, Madam Chair.

My last question would have to be on the new mandate in terms of the Minister going out and seeking community input. It's the community that's going to really drive the success of this housing association. You get the community to back you, not just the stakeholders or the staff. To have community members really talk about what they see as a priority in the region and let them know that the funding from the federal government is on the decline now. They're going downhill now with the federal housing initiative and that the Minister would look at an initiative that would involve the community members to really be consulted. Also, as the MLAs could have some input into the housing program. They have a lot of good ideas. We heard that maybe some woodstoves should go into the houses in the communities. They would like that; that kind of initiative to bring wood stoves into the homes. Get them out and active and working. Right now they're sitting and putting the furnace on. I think that's a good initiative we could explore more. You've got to be creative. I'm going to ask the Minister if he would consider something like that, having woodstoves and getting people out there and cutting wood and doing the good things in life. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. In regard to the commitment we've made, I know in the Sahtu, when we were in Colville Lake we did commit to go into the region and have a workshop with the region with regards to housing and also I had heard similar requests from the Nahendeh riding, I believe, that we were still looking forward to doing this fiscal year. I think that by having seniors involved in these workshops, that will improve our dialogue and allow them input at these regional meetings. We definitely will be going to the different communities and hearing from the public on exactly our mandate. Also, we're going to be reviewing our program changes. They're not going to take effect until 2007-2008, when we're hoping to get into the communities and get their input on the different program changes that we're looking at. So we have committed to that and we are willing to work with the Member and also the ridings.

The other issue that he raised about woodstoves; there is an individual that when they do a home, they do have a choice to have a backup system such as a woodstove. That is offered to seniors. I think we are realizing that seniors do have a problem in most communities with the heat they do get from the furnace and they do want an alternative heating source, such as woodstoves. I think there is a program for that. I think that we are working with the seniors in that area, but we do have programs for the different type of heating systems they have in their homes. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Just for the information of Members, on the list now I have Mr. Ramsay, Menicoche, McLeod, Villeneuve. I would like to speak under general comments after that, and then we're starting on round two. Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I just wanted to start off by thanking the Social Programs committee. I know there's been a number of issues that have been raised with the Housing Corporation in the past little while, and I commend them on the report that they presented to us earlier. They have covered off a number of important issues, but I just wanted to, if I could, share with you a few of my concerns as I see it.

One of the more complex things, I think it comes from a policy direction of the government. I think it's been a policy of the government to build stand-alone units across the Northwest Territories for the past 25 years. I'm just wondering, maybe it's time that the government re-examined that policy, because in light of the rising energy costs that are even more pronounced here in the Northwest Territories because of our cold climate, I'm wondering if it's time to re-examine that policy. What I really think should be happening is we should be looking at building row housing, building six-plexes or eight-plexes, whatever you want to call them, and doing things that way, instead of rushing out and just replacing unit for unit in all of these various communities. Why don't we try to collect what scarce resources there are for housing and try to get more housing on the ground? More roofs over more people heads? I think that might be one way to tackle it.

The other thing, I know the Minister knows I'm supportive of Novel and the potential that project has for the Northwest Territories, but again, those are stand-alone units and I think what I've seen in the past with the market housing initiative, specifically, if you want to get people into homeownership programs, you have to go out there and beat the bushes and try to identify who your clients are going to be. That wasn't done with the market housing initiative. I think if you're going to enter into anything like the Novel project, you have to go out and do your homework and go into every community and identify everybody that could potentially be a homeownership candidate. You have to make sure that you do that, otherwise I think we may be setting ourselves up for a big fall. Again, I am supportive of it. I think it may be a good project in the end.

The other thing I wanted to mention, and I was interested to see a response I got to a written question just recently where it was raised before about the Housing Corporation building seniors' facilities in the various communities, and I was really interested to see at the end of the response that I got that there was no historic information on occupancy levels in the Tuk seniors' facility. I find that really hard to believe, considering it's only five years old. How could you not come up with historic occupancy levels? Maybe because there's zero, or next to zero, or negligible. I think that's, you know, when we were in Tuktoyaktuk and we went to that facility, and I mentioned it before. You walk in, the heat is cranked up, there's nobody living there, and you open the fridge and it's turned on full. This is just allowed to go on and allowed to happen. That's just one example. There's numerous examples out there.

The other thing I wanted to mention, and I know the land administration has now become paramount in a lot of the communities and trying to get communities set up and geared up to allow more housing to be put in on the ground. I just think it's admirable that the Housing Corporation wants to try to take on this role, but we already have MACA and I think it's MACA's responsibility

to be looking at land development in communities and assisting communities with land development, not the Housing Corporation. I think you could work in concert with MACA, but I definitely don't agree that you need to have a full augment of staff online and get into land development in communities. I think there's already a government department that's mandated to do that kind of work and I'd encourage you to work with them. These are more or less comments, Madam Chair.

The other thing I wanted to mention, while I've got the floor, these rent supplement units that are negotiated, in some cases for up to 20 years, Madam Chair; 20 years negotiated over market rate. These contracts are virtually imposed upon local housing authorities. I just don't know how that is allowed to happen. How is it allowed to happen? I have no idea. I think the sooner we can get out of these types of arrangements, the better off we'll be. So I guess I'll leave it at that, Madam Chair, and again, the Minister can respond to some of these. The one thing I will want him to respond on is to the re-examination of the policy that this government builds a house and when one is replaced, it's unit for unit, and we just go about trying to find money to build single units. I think we have to really re-examine that policy, and the sooner the better. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. I'd like to thank Mr. Ramsay for his questions. I definitely support the Member in regard to his request that we do look at more multi-constructed facilities, because it does cost us less to operate and you are able to house more people. We have made a decision that the 75 units that we're looking at replacing in public housing are going to be multi-constructed facilities. They won't be single dwellings. We are shifting away from that. So the 75 units that are identified to replace public housing will be multi-plex construction. You mentioned six or eight units and I think that is the way to go, and I think that because of the availability of land in communities and also because we have a large young population in a lot of our communities. We have forgotten a certain segment of our population where we've left out in regards to the construction of houses in the past where we look more at family dwellings and large housing units by stick-built units. I think we have to realize we're going that way.

The other issue that you raised in regards to Novel, we are looking at some options and one of the options is to look at stacking, instead of having them all on the ground in single-constructed formation. We are looking at the possibility of stacking them to have these multi-use units where you have instead of just one family using the site, you'll have two; in some cases, maybe four. We are looking at those as some of our options.

In regard to the issue of the seniors' facility, I know I did respond to you about the facility in Tuk. We have an update. There are five people occupying it now. We do have two more people on the waiting list to go in there, but they are waiting for the weather to warm up before they make the decision to move. There is an improvement to get more people in there. Again, it's an area that we do have to look at. Right now we have about 416 elders in seniors' facilities in the Northwest Territories. There is a large number of them that we do accommodate, but again, it's just trying to ensure that people making that

shift from being in the unit they've been in for years and doing the transfer over to a seniors' facility. A lot of people are hesitant to move away from their family members and be on their own. They'd as soon stay together as a family. We do have these challenges. We are working with them.

In regards to the question the Member asked with respect to MACA and the lands, presently MACA does not do land development in communities. That responsibility is left to the developer. Because of that, we have to, as a developer not only of housing, develop property along with our responsibility. In most cases, your responsibility for putting the roads in, your responsibility for putting the culverts in, your responsibility for putting the power poles and lines in, all that is left to the responsibility of the individual person or contractor to do that. So MACA has devolved the responsibility to the communities, but they have not devolved the capital assets. In the past they used to do that; now they do not. So that's where we're having the differences. We are working with MACA to try to find a way that, like I mentioned, we only have one lands officer in our shop to try to figure out what lands are available, what titles we own, exactly what properties we have to put money aside to develop, when do we get the pilings in, when do we get the power poles in. All that is left to one individual in the Housing Corporation and I don't think that's fair. But we are working with MACA on that problem.

In regard to rent sup, yes, there have been long leases in place for rent sups, but again, we have gotten away from long-term commitments. We only commit five to 10 years at the most. But I understand where the Member is coming from. That was the practice in the past where they were trying to attract the private sector to get into providing housing in which those were the commitments made back then. Again, because of legal obligations, we can't get out of those. Once the term of those leases expire, then we will be re-looking at that. Thank you.

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

MR. MENICOCHÉ: Thank you very much, Madam Chair. I am pleased to provide some comments, as well, to the department or to housing. It's one of the biggest concerns to my riding. I have my riding consisting of six communities where four of them are very small communities that look to housing to help create their growth. Of the two larger centres, Fort Liard has been, I think, increasingly on top of the agenda. I think overall, before I get into specifics of some of my communities, Madam Chair and Mr. Minister, is that, overall, the communities see the Housing Corporation as taking a lead in updating the services they offer. In fact, I've been working with the Minister trying to get a regional workshop in the Nahendeh riding, and I thought that one of the intents was to go out and ask the people how you see the Housing Corporation working, what can it better improve. That's kind of the thinking that people had when the Housing Corporation was talking about reviewing its mandate and delivery processes. That's the kind of expectation that they thought they had. Just recently we find out the mandate changed and I was wondering, well, they never really went to the communities or asked anybody. So I was wondering, how did the mandate change and what was the focus of the mandate? What caused the mandate to change without asking people about it? For one of the great foundations of our

government system is participatory democracy, and that's fundamental to the people. That's what they like. They like to participate in our decisions. Even ask them for feedback. If we're going to do it workshop style, to involve them and get all this feedback. That's what we thought we were going to get when the Housing Corporation was talking about its mandate changes.

Thanks to one of my colleagues, I just learned it's a process that began early in the term, around 2004, and now we're 2006. It's been a couple of years and nothing significant as change in terms of reviewing that mandate. Some of the things, too, in private sector they call it a comprehensive organizational study, where they look at how the organization is set up and how it can better utilize its staff, utilize its resources, utilize its delivery programs. People were happy that they were going to have input into that, but I don't know what changed, but I know that one of the worst things that people hate is top-down approaches. That's what happened, I believe, in this case with the mandate. You said we were changing the mandate and this is how it's going to be done. Then the people that I represent, my constituents, have always believed it should be from the ground up. In fact, it was one of your reports, Madam Chair, that the Minister tabled last year in the House was the actual name of the Housing Corporation report was "The Ground Up" but lately we've been trying to do things top down. I believe that if we do, if the Minister will go about and go to the communities and listen to the people like we did in the pre-budget consultations. People did mention the Housing Corporation, the program, the program delivery quite extensively. Our colleagues in the Social Programs heard that, included it in their report, and it's something that we're going to have to look at seriously.

So that's what I kind of see with the Housing Corporation, is just a follow-up on my vision and the people's vision and see if the Minister will concur if that's what should be done. It has to be all-encompassing because I believe the Housing Corporation is in a state of flux. Where do we go from here now? At one time having it as a corporation did make sense because there was some flow-through funding coming from different agencies, not only us. But now the GNWT is the primary one that gives them the transfer payments to deliver housing programs. Does it have to be a corporation any more? Can we look at it just being a department? Those are the kind of discussions that need to happen and they have to happen in this coming term, Madam Chair.

Just with that, if the Minister can comment on the overall mandate review. It has to be a lot more than just a paper review, because quite often people sit down and the consultants sit down and talk with department heads and say, okay, we reviewed it. But that's not what I'm asking the Minister today. It has to be comprehensive. I know it's going to cost a few bucks, but it's something so we have a good, efficiently run organization, if indeed it stays a corporation or a department, Madam Chair. But that's something we have to look at and have a good hard look at it. How are we going to continue this function of taking care of the housing needs of our people in the smaller communities? I think that's how we have to refocus the goal and objectives of the Housing Corporation. If I can just get the Minister to comment, Madam Chair, on how he sees, and where he sees the Housing Corporation going in the next little bit to better deliver our services. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. In regard to the mandate, this process has been ongoing since last year. It's something that we've been working on. We've been having workshops with our local housing authorities. We've had workshops with all our maintenance people in the LHOs. We've had our regional directors involved in this process. We have done a lot of consultation already with the local housing authorities, with the maintenance staff in those organizations, and also the board of directors that was overseeing this was the regional directors. We have one in almost every region. I think it is time for this organization to change the way we do business.

As you've heard, we just celebrated our 30 years as a corporation in the Northwest Territories just last year. In 30 years a lot has changed in the North and I think because of the dynamics of the corporation, we also have to change with the times. I think in order for us to realize we're not immune to the pressures on development in the North. The biggest challenge we face, like I mentioned, is the area of just trying to deliver what we have right now. I think because of the competition in the area for tradespeople and contractors and whatnot, that we're realizing there's a higher cost to doing business in the Northwest Territories, especially in the area of housing and construction.

But again, the mandate is going to proceed through a new process where they have a board to go out and get public input and then come back, and I will report back to the standing committee and this House. So I'd just like to remind the Member that I have travelled along with the Member. I've travelled to most of the communities in the Northwest Territories and I have been consistent with my message. We are changing the way we do business in the Northwest Territories. Part of that change will include the change of how we deliver programs and services and also changing of the mandate of the corporation to be able to deal with some of these issues such as land development issues and being able to have capacity so that we can be able to find the people in the right areas to assist us on delivering. We are right now, like I mentioned earlier, the number of people that we've had in the Housing Corporation over the last 10 years have changed to almost half the size of the staff prior to division. We were at 195 people. After division we went down to 144. With the budget cuts ever since, we're down to 103. There has been a drastic change to the size of the Housing Corporation to deliver those programs.

We are committed to go back out, get consultation from the key stakeholders and Members of this Legislature. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. With four seconds on the clock, Mr. Menicoche.

---Laughter

MR. MENICOCHÉ: Thank you, Madam Chair. I believe I can use up my four seconds quite efficiently here. Just with respect to the Minister's comments, I don't disagree that the Minister heard us and that he is seeking a mandate change. I don't disagree with the methodology at all and that he indeed does recognize, once again, that there has to be a change. How that change is going to be

done is what I would like to impart to the Minister. There are people out there in the communities, the regions and throughout the North that want input into how we change the Housing Corporation. Indeed, they just want to be heard. I believe that that consultation has to be extensive and we have to get out there, listen and be the responsive and reflective department with respect to housing that the people want. I would just like to urge the Minister again to consider that and to comment that it will be a comprehensive and extensive consultation with respect to the mandate and review of the corporation, Madam Chair. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. We will take that as a comment, so we don't need to have the Minister answer any questions on that. Next on the list is Mr. McLeod.

MR. MCLEOD: Thank you, Madam Chair. Last year, going through the same exercise, I spoke to a number of issues and concerns. I see this year I am going to be speaking to almost the same issues and concerns. We go travelling to the communities and it never fails, even in our day-to-day work in our constituencies, I am sure there is not a day or a couple of days that goes by that we don't have people calling with concerns with housing, not so much the Housing Corporation, and the way the programs are delivered. I commend the Housing Corporation, as I did last year, for putting a lot of these programs into place where people could try to get into their own homes, and a lot of them have. Some of them have found that they couldn't maintain these homes, so they went back to the corporation. So I have a concern with people calling and wanting to know why couldn't I be approved. I make enough to maintain my own home and they are giving homes to people who end up giving them back, or a single person... We can go on and on with the list of concerns we get regarding the housing programs.

In the Minister's opening comments, he spoke to the Supported Lease Program and this ambitious plan is subject to support from the federal government. I am curious to know if the Supported Lease Program is also subject to continued support from the federal government. If we don't get that support, what is going to happen to some of these programs? Are we still going to get 185 units? I think you have been asked this question a couple of times. I just have a real concern with the direction that the Housing Corporation has taken. I have spoken to it before and, as Mr. Menicoche pointed out, I thought this mandate was just something that was just a new initiative, but it was something that was started in 2004. I understand there was even a task team sent out and I am curious to know if all the LHOs, the district offices, were consulted on the new mandate. Did they have much input into it? The universal partnership agreements, did they have much say into whether they wanted to be part of these universal partnership agreements, or did they just have to sign because everybody else did? I don't think a lot of them had much choice.

You mention housing and it just strikes a nerve in everyone. I understand the corporation is trying to do their best, but I think they are really straying from their original intent to provide housing to residents of the Northwest Territories. I have a concern with that. I see money being cut to the districts and the LHOs. It seems like it just keeps growing and growing in headquarters. That causes me concern. We've lost so much money in the Housing Corporation over the years, like I said in my Member's

statement before, we could have had a few more houses on the ground. I would like to see a bit more transparency in some of the housing programs. It's public money and the public has the right to know where their money is going and how it's being divided up by certain clients. I understand the Minister is going to say I can't give you the names. Everybody has the right to know what we all make in here. So it being public money, the taxpayer has the right to know where some of their funds are going.

I will say it again, and I may be doing the same spiel next year -- I should just ask for this recording and I can play it again next year -- I really believe the Housing Corporation is straying too far away from their original mandate and I think the business decisions should be left to people who have the shops for them. Housing can provide the expertise because they should know housing. I have a problem again with headquarters continuing to grow and the people in the frontline district offices seem to be the ones taking the most hits. I believe there may have been a few questions in there. Some of the other Members spoke to some of the ones I had in my notes, so I won't repeat it again.

Housing is a concern with residents of the Northwest Territories; it always has been, always will be. The Housing Corporation should, in my opinion, stay to their original mandate and reason they were established. I don't like the looks of the proposed new mandate. It's not something I would be able to support. It's trying to become too businesslike and I don't agree with that. I think they should be providing the houses. A lot of people have access to a lot of programs and have gotten money to be put into their own homes. You still hear a few concerns from people who have lived in public housing their whole life and they have worked hard to try to get out of public housing and get into their own homes, but all of a sudden they make too much so they are paying big rent. I thought that's what these programs were designed for. That's why I said there should be a little more transparency to these programs, so we could at least see where some of the money is going and make sure that one client is not getting \$70,000 and another client who is not that far off in wage earnings gets \$6,000. It's got to be transparent. It has to be fair. I have suggested before that one of the changes that the Housing Corporation could make is just have a block \$50,000, \$25,000 or \$30,000 number that if people qualify with the bank to own their own home, they should all be able to access that money, nothing higher and nothing lower, just straight across the board, like the Minimum Downpayment Assistance Program they had a few years ago. That did that. It just gave a straight number right across the board to clients who qualified through the bank. It just seems like the programs change every few years right back to SHAG and the Rural and Remote Program where some of the people just finished paying 25 years later.

So I would like to see some consistency. I would like to see the programs stay the same, at least for awhile and not be changed every few years. I think there may have been a few questions in there. The Minister may wish to comment on some of the statements that I have made. Thank you, Mr. Chair.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. McLeod. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. With regard to the programs that we do have, we have

devolved over a period of time. I think a lot of the programs we do deliver, we are delivering on behalf of CMHC which are federal programs. We see a lot of our program dollars from CMHC such as emergency repair funding, EDAP funding and access funding. Because we are an agency that delivers program dollars, we have to follow the national standards. Because the standards we fall under, it may not look like we are being fair, but, in most cases, the programs we do deliver are for people who are at the lower end of the wage scale and also trying to get them to become homeowners and get them out of social housing, which the focus has been on over the last number of years.

We have to realize the other emphasis was to get people to go to the banks and get a mortgage and become homeowners and we assisted with their downpayment. These programs have devolved over a period of time and, like I mentioned earlier, we are looking at trying to consolidate our homeownership programs so that we have more flexibility. We tried to get away with setting amounts where once we exceed that, we can't help you. We have to get away from that mentality and try to find programs that are more flexible. Instead of trying to see which program you fit into, we have to find a way we can work with you and help you become homeowners. A lot of the emphasis that we have been focussing on in the past has been the area of homeownership, to get assistance through the banks for mortgages.

With regard to the Member's comments on the Supported Lease Program, it is a program that is identified to get people out of social housing and become homeowners, for those people who have lived in those units for a number of years. We want to ensure that they have the ability to pay the operational costs and the cost to maintain a home, and that will be taken into consideration. So those individuals, over that two-year period, will be monitored to ensure they will be able to do that. We don't want to set people up for failure, like the Member mentioned. We have a lot of people who got into the Access Program and then they were able to sustain themselves for a year, and then they had to give the units back. We want to get away from that so we don't have those situations.

With regard to the reorganization of the corporation, because direction was given by the Legislature to get out of the area of social housing and devolve that mandate to the Department of Education, we have to realize we still have responsibility to people in public housing. We have 2,300 units. We still have contractual arrangements with CHMC where we have to continue to deliver those. It's important that we do have annual reports that identify the different dollar amounts that are allocated and we do have audits done by the Auditor General every year which are tabled in this House. The Member has asked for information and I know there are certain confidential matters that do come by way of those applications, names and persons who may receive assistance from the government. So it's under ATIPP and I know that he doesn't want to hear that answer, but that's the answer we have to give. We do have federal legislation that we have to hold confidential information under.

So those are some of the responses to the Member's questions. I think the issues the Member is raising aren't new to the House. I heard the same issues we are talking about today 10 years ago. It's how we have to devolve and move with the times. Nothing changes, nothing

changes. I think we do have to change the way housing is delivered in the Northwest Territories. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Villeneuve.

MR. VILLENEUVE: Mahsi, Mr. Chairman. I just want to welcome the Minister and it's good to see Jeff and Fred again. It's funny that the Minister, in his last sentence, said these are the same issues he has been hearing for 10 years. That just drives home one of the points that all Members have been raising today with the Housing Corporation. There are many issues and outstanding housing concerns that are just so long ongoing that the regional staff or the headquarters staff have pretty much earmarked these ones, flagged them and just put them in a file in a box in the closet or something and hopefully they will go away. The Minister probably knows that, too.

It's good to see the \$120 million over the next year on 185 units. My first question before I go on is if this funding arrangement is contingent on federal government supports with the new government and if it doesn't go through with what the old government had agreed on, do we have a contingency plan? That's my first question. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, if we don't get the federal funding, we will just deliver the formula we used before, which is 118 units. We have the resources to build 118 units with our own money this year. We are pretty positive we will be receiving the money from the feds; the \$50 million over two years.

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

MR. VILLENEUVE: Thank you, Mr. Chairman. I guess just to follow up on that, what percentage of 118 units is going to be public replacement units? That's just for clarification.

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

HON. DAVID KRUTKO: It roughly works out to one-third of the number of units we are looking at allocating.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Villeneuve.

MR. VILLENEUVE: Mahsi, Mr. Chair. I don't want to reiterate a lot of the concerns that a lot of Members have already raised, and I am sure the Minister has heard them all before in committee, but I just want to talk about the \$10 million for the upgrades and the \$4.9 million for emergency, seniors and disabled housing. It's great to see that there is a little bit of increases going into these areas and that these programs are actually in place, but I just wanted to remind the Minister again, I am sure you heard it in many instances, a lot of emergency repairs and a lot of upgrades and a lot of senior repairs are approved every year in the various regions, but when it actually comes down to doing the actual work, doing the actual repair, that's not so quick to get approved or get done. I just got a few examples. I got a senior with the furnace that is still

sitting in his porch to get installed and it's been there for two years. So a senior with a fire damaged room in his house upstairs that has also been approved for repairs, but that's been two years ago also. I guess that just alludes to the point I want to make. It seems a lot of the contracts that go out for these repairs and the upgrades to the various units always seem to be going to a specific contractor who has had a long-standing history working with the Housing Corporation; and all other contractors, be it proprietorships or just individual people who are willing and able to do that work, are never really considered because of liability issues, they don't have their business licence in place and they don't have some of the insurance that the government requires and stuff like that. But there are a few that do. Five years ago, they maybe didn't complete a project or something like that and they seem to be blacklisted on the government's contracting list at the regional level anyway.

I have raised the issue with the Minister before on some people that are willing and able to do all this outstanding work that's still kind of out there in the communities, and people are still wondering why we have to wait for a contractor to come out of Yellowknife, or a contractor to come out of Hay River to complete the work. Well, one of the barriers to getting these contracts in the outlying communities, in the satellite communities where they're actually required is because the government is saying the contractor has to be within cost of what a contract is going to bid on. Pretty much there's a limit to what you can bid on this project, and whether you're in Hay River or Yellowknife or in Colville Lake, this is money that the government's willing to spend and that's that. Therefore, a lot of these smaller community contractors don't bother with bidding on this work, because basically it's not going to make them any money, it's not going to be cost effective for them. The costs in these communities are a lot higher than they are in the regional centres, but it seems to be the government policy that these contracts have to be within these larger centre cost barriers or brackets.

I just want to ask the Minister, is there any inclination that the government is going to relay down the line to tell the regional centres you have to be a little bit more flexible when it comes to very remote communities. These people that are trying to do business in those communities and trying to stay in those communities, especially when a lot of housing projects are just backed up to the door as far as getting completions done. Is there any appetite for that?

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Villeneuve. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we do try to work with communities and especially with our LHOs. We do find that we're trying to give more responsibility for the local housing authorities to build capacity, but also take on more housing responsibilities such as the seniors' maintenance repair program. We're asking the LHOs to do the work in house so they can hire another person on staff so that they have someone in the community that has a ticket and are able to build up their capacity in communities. But I think also the majority of our contracts that go to communities are tendered. I think because of that, sometimes you have negotiated contracts where there's only one business there that does it. We've heard over the years in my travels that there's a lot of frustration. The people that

have got work done by contracts which they'll never allow them to do work on their house or whatnot again because of bad experiences people have had in regards to contracts that have been done. So again, yes, there are people that are basically not used because of not having the certification or not being registered and also registered under the BIP, and also not having tradespeople on their workforce to do a lot of this work where you have to have electricians or plumbers or whatnot. Again, we have to ensure that whoever does the work has the capacity to do it. I think that in order to allow for that capacity to go, I think we do support community initiatives through negotiated contracts, along with the local municipality or local housing authority, to take these on. But I think at the end of the day, the solution to our problems in our communities is to have people local doing this work and not have people coming in. But again, in most cases we can't find those people who have the tickets that are required to do the work. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Villeneuve.

MR. VILLENEUVE: Thank you. I understand the plight of the government on that side. I think the only way to overcome that is to actually, you know, they have to have a project officer at every site either on a day-to-day basis or on a week-to-week basis to oversee all these projects. I know that even when you get a proficient contract in there, somebody in good standing with the Housing Corp to go in and do the work, but if nobody's there to look over their shoulder to make sure that the work is being done according to standards, even they will take shortcuts and cut back on the amount of materials that they're allotted to use, and start saving money on their part. That happens everywhere. The only way, like I said, that the Housing Corp is probably going to be able to alleviate that is to make sure they've got people there. I know the Housing Corp has got staff. I know they've cut back on a lot of staff positions, especially around here in the headquarters. But out in the regions, I just don't see enough of the project officers actually in the communities doing a lot of work. Even during the summer months, you know that's going to be the busiest season for housing, so why doesn't the department hire some casual project officers or something during the construction season in the small communities so that we can make sure that these projects are being done in an effective and efficient manner, using all the materials and standards that the Housing Corp upholds. You know, something just like firefighting season, you know? Construction season in the NWT is big, and it's a short season and I don't see why we couldn't accommodate casual employees in that respect. Has that ever been considered in the Housing Corp's long-term plan or seasonal plan?

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Villeneuve. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, that is the goal that we do have by way of increasing the staff we do have in the corporation, especially at the regional level so they'll have more accessibility to communities. One of the things that we do do is that when we have a big project, we will identify somebody specifically for that one project. But if it's just a couple of houses here and there, I think it's uneconomical to have someone in that community just to deal with two or three houses. So that's why a lot of the project officers are based out of the regional office.

Again, we have increased that and looking at that staff complement for our mandate, and to get more people on the ground, get more people doing these inspections, and making sure that we are following the guidelines we do set so that we can have people there to actually physically be on the ground when these things are being constructed. But right now, we don't have enough resources to be in every community on every jobsite, and that's why we have to continue to involve those people.

Also with the larger projects, like I mentioned, we are open to hiring project officers for those bigger projects on site. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Next I have Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, I have a lot of concerns with respect to the operations of the NWT Housing Corporation, and these are general comments so I will try to keep my comments general, but I'll probably take up the whole 10 minutes. It's a subject once I start talking about, I can't stop.

Mr. Chairman, the Housing Corporation's mandate is askew, as far as I'm concerned. I look at the mandate, as I understand it, as being to address those in need. When we talk about housing crises in the Northwest Territories, I surely hope we're talking about people who are in need. I think that the programs of the Housing Corporation should focus on those people who are in need. Yet I look at the barriers to getting housing and shelter, which everyone should have a right to, from certain groups of people and I see the barriers and I go, who is the Housing Corporation there for. I'll tell you who they're not there for. They're not there for the hard to house, because I know, for example, in the community that I represent, the hard to house go from pillar to post looking for somebody who will take them in. It will not be the NWT Housing Corporation or the LHO, and I'll tell you why. It's because they are problem tenants. Hard to house people are problem tenants. People who don't pay their rent are problem tenants. But if they are not the responsibility of the NWT Housing Corporation and the housing authorities, then whose problem are they?

We cannot get emergency shelter for people because there's no policy that the Housing Corporation allows for emergency shelter. The rules are set up in such a way as if you come to a community, you have to go on a waiting list for six months. After you've been there for six months, they don't care where you came from. They don't care if you came from Timbuktu. If you've been a community six months, you're on, and you can probably get in. But just weigh that against the irony that if you've lived in the Northwest Territories your whole life and you've got five kids, and you've gone away to school in Fort Smith to try and better yourself, and things have fallen apart because, you know, people who need social housing, their lives aren't always perfect. Now they've come back to their home community and they have to go back on a waiting list for six months. Now where is the responsiveness in terms of the programs delivered by the Housing Corporation when there is no provision for emergency housing for families, for northerners, for people who haven't just parachuted in here from who knows where? These are our people.

The other barrier I want to speak to is the fact that if you haven't paid your rent to the Housing Corporation and you

apply again, if you have outstanding arrears or damages, you can't get back into housing again. So where are those people supposed to go? We just can't sort of turn a blind eye and say well, these people had problems, or they owe us money, therefore they don't qualify. Again you have to think of it in the context of where are they going to go? If not the Housing Corporation, then who? We talk about overcrowding in the communities and that, well probably the overcrowding is because the system itself sets up so many barriers to people accessing the housing that they have to go live with somebody else and sleep on somebody else's couch. So if it is truly social housing, then you have to address the social needs of the people who need that kind of support. That's where I think we have a big gap.

The application of the rent scale, the new rent scale. You know, somebody goes from a community, they all of a sudden have a good paying job at a mine, well, good for them. But then their rent becomes so high under the rent scale that they can't literally afford to pay the rent. If they're in a community that's not a market community where they have alternatives where they can go to a different landlord and rent, in many communities the NWT Housing Corporation is the only show in town. There aren't a whole lot of other private rental options available to them. So under the rent scale that's in place now, it's quite possible for somebody with a good paying job to have literally no option but than to pay the rent. Now, I know there are housing ownership programs which they should be able to access, and perhaps even mortgage programs. But again the housing has to be there to buy, or ability to build, or ability to access a piece of land to build a house. Either that, or they have to move to some other community.

The issue of rent supplement units has already been raised. I see that as an idea, and I provided, during the committee meetings, a list. When the Housing Corporation made their presentation to the committee, I did provide a list of all the rent supp payments. It's in the millions of dollars that the Housing Corporation pays out to the LHOs. Someone made reference to the fact that many of these are long-term, 20-year commitments, and, yes, they might have gone in place 10 years ago or something, and many of them are over market rate. They need to be analyzed. They need to be assessed. We need to determine if we're paying too much for those. If we are, you need to opt out on one of the five-year clauses. Yes, they're in place for 20 years, but all of them are in five-year increments so you should be able to opt out if you have another look at it and say this is not a good deal, we should not be directing so much of our funding towards these units. So I would ask you, I would beg you, I've been asking for a long time, would you please assess the rent supps that you've entered into and make sure that they're a good deal? If they're not, you should look at them on their five-year renewal date and do something about it.

The ongoing status of the market housing initiative -- and I'm just touching on these briefly, I could talk about these for a lot longer -- these were supposed to be on a cost-recovery basis. I haven't heard an update lately on whether or not... Well, first of all, I don't know how much capital we actually put in to bring these units to the communities, to set them up, to obtain the land, to heat them when they've been empty, to do everything associated with the market housing initiative. I haven't

heard those numbers lately. But I would be surprised, Mr. Chairman, if there has been a full cost-recovery on those units. How far did we go from the target? I believe initially the target was professionals required to support the community that could not find a place to rent in non-market communities, communities where there were not a lot of private options. I believe that was the original intent. So the units went in there, and maybe there's been a vast improvement in the uptake and the rent that people are paying, but I have yet to be updated of the status of that program and convinced that we have reached full cost-recovery on those, and, in fact, if they have gone to address the needs of those for which they were targeted in the first place. I would like to know how that's coming.

Something else that I don't really understand too much about the mechanics of is the harmonization initiative. I understand a little bit how you can't really be providing people with housing without them having an understanding of what that is worth, that market value, and having that somehow reflected in a fair way between income support clients and others. I understand that needs to be done. But I don't understand why the money for that public housing had to be transferred from the Housing Corporation to ECE. Because now I understand that ECE is transferring that money back to the Housing Corporation to distribute to LHOs. Now, I could be wrong, but that's my understanding of what's going on. I don't really know why you would pick up positions along the way in terms of that exercise. That part of it does not make any sense to me.

Mr. Krutko has spoke to headquarters staffing levels: 200 prior to division; 140 after division; and now just down to under 100 people. You know, 100 people is still a lot of people. I don't know all of the different activity areas which the Housing Corporation is involved in, but again I agree with many of my colleagues here who have said let's get that focus narrowed, let's get that mandate very succinct, and let's not be looking at broadening the mandate of the Housing Corporation, but let's get it really focussed on housing and not a whole lot of other things that are peripheral to that.

I'm just about out of time, Mr. Chairman, so I think I should follow my own advice and not take up the entire 10 minutes, just in case the Minister has anything to say in response to all of that. I'll get back on the list. Thanks.

CHAIRMAN (Mr. Pokiak): Thank you, Mrs. Groenewegen. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. In regard to the question the Member raises about people that are hard to house, we do have allowance to work with the client; we do have payment plans where people can work out if they have arrears; we do hold units for students that do go off to school for, I believe, a one-year period. So if they do two years, or if they come back to their home community, those units are reserved for those students. So we do have those arrangements in place. But I think the question of people that are hard to house, it does lead to our homeless issue and we have a committee which is made up of the Minister of Health and Social Services, myself, and the Minister of Education and Minister of MACA who are looking at the housing and homelessness issue. But we do fund a lot of non-government organizations to assist us by way of providing houses through funds that are given to the Salvation Army, the women's shelter, transitional housing in regards

to the different non-government organizations that are out there. So we are working with them to try to do deal with this issue. But, yes, we do have a problem maintaining to house people that do have housing issues. Again, we have devolved a lot of those responsibilities now with the \$30 million to the Department of Education which they will have to basically deal with that education in regards to those social funds that have been devolved. Again, we do try to find ways to assist people that are in need, especially people in our small communities.

In regards to the rent the Member mentioned, there is a six-month period which basically says your rent will be consistent for six months regardless of your fluctuation, so it allows you a chance to settle into your home before you have to start paying the economic rates that are out there where you pay 25 percent of your income. There are allowances that are given which are not given in the private sector with regard to...Again, we do have to follow under the tenants act that is in place, in which we are obligated to follow that.

With regard to the Member's question on the rent, I believe this question has been raised before and I think that we do realize that if there is a clause in there that it can be reviewed after five years, but my understanding is a large portion of these have been locked in for the term of their leases. I'm willing to go back with the department to look and see which arrangements do have the five-year clause, and ensure that we are able to look at those leases to make sure we're able to renegotiate or look at other options.

Also, the Member raised the question with regard to the market housing. In regard to phase one of the market housing where we acquired 22 units, right now we have 21 units which are occupied and one vacant in Fort Resolution. The phase two units are still being put in place by way of the communities that they have been allocated. One unit may be occupied, but the other ones have not been completed to be occupied yet where they're still being set up or being in transportation through the winter road systems. Those are some of the responses to the Member's questions. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Next I have Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. My comments will be around sort of the global perspective at this time. I'm personally concerned about focus. I've brought up, on a number of times, my personal concern that the Housing Corporation has an information systems program to do housing maintenance. I've said a number of times, for example, that this is the type of program that could be bought off the shelf at a large computer store. I've raised this concern a number of times because I'm concerned that we're worried about inputting data and whatnot into programs when we should be handing our employees hammers and pouches and nails. So our focus should be about putting houses on the ground, as opposed to maintaining a computer system. That's a personal concern because I just want to make sure that our focus is in the right direction. I mean, I really believe that we have a moral responsibility to take care of those who cannot take care of themselves. I don't take that lightly. I believe that 100 percent. I think when it comes to people like our seniors and disabled and less fortunate, that solemn obligation needs to be held eternal.

When I visit a community, when we did our northern consultation and we saw someone's door with a huge gap underneath it, it just felt horrible. I felt that the focus needs to be a little bit more than rhetoric, because rhetoric should be saved only for election campaigns. But then we get into transparency problems, as mentioned during the EDAP.

Several months ago I had brought up the EDAP, as well as my Member to the right side of me here. We brought up concerns about the disclosure or the full transparency of our EDAP program. I brought it up on a number of occasions, that I'm concerned we're giving out loans, but still the accountability is there in a constructive sense that it's so high up you can't see why we're giving money away to people under what circumstances. I personally feel that a policy that this department should take on, and I think the Minister should be working with the appropriate Ministers, but the fact is that the policy should state that if anyone who gets any money through the government should have, we're only asking for a small step. We're asking them to make sure that their name's included at least in the accountability transparency concept so we can ensure that the right people are getting the right money. Why did we give away \$72,000 to one person in the past? I don't know. But we've asked these questions and we continue with the housing program on our focus to help people, which I'm happy, but then we don't know why we're helping certain people because we don't know the details. So accountability and transparency to me needs to go above rhetoric. I'd like to see the details and I think this needs to be a mission if not added to the goals of our Housing Corporation.

If I could speak a little further on goals for only a moment. I think our goals, we talk about seniors and disabled and we talk about our sustainable housing for northerners, which are all well and good. But I'd also like to see us add goals where we're going to use an access or northern housing industry where possible, whenever possible. I want us to see as a goal that we tap into our labour market here in the Northwest Territories. I've mentioned many times that we do have northern manufacturers up here and I would like to see us use them. I had a Member's statement one day where I pointed out how great the windows were that I got in Hay River for my house here in Yellowknife. I think they're fine things. So I know we have northern contractors here in Yellowknife and Hay River and wherever else in the Northwest Territories that can provide good quality materials for everyone.

Under the side of modulars, I see problems here. I'm supportive of bringing the modulars into the communities, but I still see we have hurdles before us, such as land administration, land identification. We don't have people with the skills and the abilities to put forward these types of documents to do things like community planning, consultation. What do we do in the interim? We don't have modulars being delivered to communities because we have nowhere to put them. We have land tied up between the territorial government, such as Commissioner's land, and we have land tied up with the federal Crown lands. It makes it difficult, because I think going back to my first statement, which is about focus, it makes it very challenging. How do we put houses in communities when we don't have good quality land to put it on?

I would like to see the focus of the Housing Corporation to look at those little fine things that deliver houses to communities from the south of the lake to the north of the lake, all the way around it, that we need to get people into housing. I'm a firm believer that housing is one of the critical elements that create a stabilized home, which continue to perpetuate a stabilized atmosphere that lead to healthy living. Without those sort of key elements of shelters, of a home, I think life sort of slips from there on in.

Other Members had good points about what do you do and where do you go when they have gone to the housing program and they're no longer welcome. I echo those points because they were good, but at that point I want to just pull it right back to the transparency and re-emphasize that I think transparency under the EDAP needs to go a little further. I think when we lend money to people out there, again it's not asking too much because the public has confidence in us when we show and can justify why people got what they did. If we were lending them money through the EDAP program, it has steps, checks and balances that can be accounted for. Whether you like the fact that they got the money or not may be a different issue, but the fact is it can be justified and that's all the public is asking. That's all MLAs like myself are asking, is how do we justify it because we have to look those people in the eye, we have to take those phone calls about the transparency. So one of the steps that I'd like to see us address is the transparency area. Thank you very much, Mr. Chairman. I didn't have a question there. They were mostly just comments. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Hawkins. Would you like to make any comments, Mr. Krutko?

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, in regards to the different housing programs that we do deliver, we do have to try to be fair to different people. Yes, there is a question about confidentiality, but I think it's just like anything else. If you're dealing with the banks, in which a large portion of these dollars we do give to the clients, through EDAP, is bank financing. Out of 600 clients, we've been able to access almost \$46 million from the banks for these units by way of...and it's another avenue for us to be able to get houses on the ground, but also be able to assist people in need. A lot of these people that are in need basically are single mothers in regards to having four or five kids. You have to take into account what the real cost is in regard to what it's going to cost for you to take care of not only your shelter needs, but also your day-to-day needs to accommodate a family of whatever size it may be. So we do have to keep that into account, but also realizing that we are doing a process to review the different programs we are delivering.

In regards to the maintenance management systems, we do use that program in house for our local housing authorities through our maintenance program, which has proven to be very useful in order to realize the situation we find our housing units in our communities so that we can determine where we spend our money to do the different repairs that have to be done based on the management program we have in place. Again, it's only used internally, in house.

In regard to the issue the Member raised about land administration, I was at a meeting with the Member, Mr. Yakeleya, MACA and myself, and at that meeting it was

pretty clear that we, MACA and even ourselves, are having problems just trying to deal with the land issues in regards to the question about titles, in regards to the new self-government agreements that are in place, who do you deal with, who are the people that you have to be able to get permission from to develop these lands and under what conditions? We do have a major problem in regards to the area of lands and I think it's something that's identified not only in the Housing Corporation, but also MACA is realizing that it's a problem.

We do have to work together with the different departments and the local governments and municipalities and community governments to find solutions to these problems. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I won't have a question, but I do have a clarification. I'm speaking about when we lend public money and I think public money follows a different rule than private money. I appreciate that the Minister distinguishes that we use some of the public money to leverage private money, but I still think that because it's the government's money, it's the people's money. We can still play by our rule, which is the disclosure rule. We may not see eye to eye and then again we may never see eye to eye on that point, but it's how I feel and I feel that it's very important in the long run.

I do welcome the fact that the money that has been given out has been leveraged and used in probably many good ways, which is that it has gotten people into private home ownership, which is great, but I still feel differently on the transparency issue.

Just for final clarification on the maintenance management program, it's the focus where I believe it should be under the TSC, the Technical Service Centre perspective as opposed to in the housing department and the skilled staff that I believe should be under that department. It's not so much the fact that they use the program, it's the focus. I'm a firm believer that when the TSC was sort of envisioned that these things would fall under there. So better focus.

Like I said earlier, I'm a firm believer that we need to drop these pens and grab some hammers and the focus of the department of getting houses. I'm glad the Minister acknowledges that there is trouble. We do have land entitlement troubles and I'd like to see us work through those to get houses on the ground for people, so I'll welcome those developments as they come forward to work with that Minister. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: I just want to make a comment in regards to the maintenance management systems. I believe that we have to leave it at the community level. It has to be left at the local authorities and the maintenance staff to be able to oversee that program because it's the only program that we have in place that really catalogues exactly what work is being done, what's being expended, and what has to be done in the future. I think for us to centralize it to Yellowknife or wherever else is going to take away the whole authority that we give to our local housing authorities to deliver housing on our behalf. Also

with the computer glitches that we've been having lately, I'd hate to see what happens when this program goes down in all 23 communities we have to deliver this maintenance program. If their systems go down, we go down with them. I think we cannot afford to have it tied to any other centralized system. I just wanted to make that comment. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. At this time I'm going to take a 15-minute break. After the break, I have Braden, Yakeleya, Lee, Pokiak, Ramsay and Groenewegen.

---SHORT RECESS

CHAIRMAN (Mr. Pokiak): Good afternoon. We're resuming our Committee of the Whole. General comments. Next in line I have Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. Mr. Chairman, I'd like to sort of continue with the discussion I had earlier, and this is on the ambitious plan here to invest the \$33 million in 185 housing units. Mr. Chairman, I'm still looking for clarification or assurance that this entire program can and is being committed to, regardless of the support of the federal government. I know I've asked this question once or twice in different ways here, but I'm still not getting the clarity that I'm looking for. Can this entire program be financed in the allocation of the appropriation that is requested here, or do we actually have to have the federal government's investment on it? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, it is essential we do have the federal funding to achieve the 185 units, but if not, we will deliver 118 units out of our own funding this fiscal year. I think it's crucial and I think it's important that...I mean, unless something drastic changes in Ottawa, the understanding we have from CMHC is the bill has been drafted, it is before the Treasury Board and the \$50 million over the next two years is in that allocation, which has been approved by treasury. So again, I'd like to make it clear that Bill C-48 has passed in the House of Commons in July, and the bill has been drafted to go to Treasury Board, and, because they called an election, that's where it sits today. So until the new government is up and running and they have their formal meetings to approve the expenditure, that's where it is. Thank you.

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

MR. BRADEN: Thank you, Mr. Chairman. This is getting somewhere for me now. I guess I can say I'm not concerned right now with whether or not the federal government does approve this money. Of course, I'm very, very hopeful of that, but the business before us is how much money we approve and for what. Now there's new information I think that has come across, is that the Minister is saying we can't afford to build 118 houses with the allocation already requested here. So if I vote for this, what I'm voting for is 118 units, not 185. I'm voting to see 118 units built for \$33 million and if the feds come through with more money, then we'll build more units. Have I got it right? Is that what I'm voting for, Mr. Chairman?

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

HON. DAVID KRUTKO: Yes, Mr. Chairman. Mr. Chairman, the total budget for the department is \$122 million. Out of that, the GNWT allocation is \$38 million, or 36.8. So the majority of those dollars that we do operate under comes through our arrangement with CMHC and federal contributions for different program allocations. It is hinging, and I think that we're not the only department which is experiencing this uncertainty, because other arrangements were made before the election and Northern Strategy funding, we're looking at the Mackenzie social impact funding. A lot of funding dollars were announced previous, but again, it all depends on federal approval. In this case, I feel comfortable that we will be seeing those dollars on the basis that the bill has passed through the Legislature. It has been approved for \$1.6 billion. The \$1.6 billion has not been allocated. So until that allocation takes place, we're asking for \$50 million over two years out of the \$1.6 billion. Thank you.

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

MR. BRADEN: An aspect that should concern the committee, Mr. Chairman, is that with some of this new information that's been presented, we now have been assured the information that we can be certain of is that 118 units are going to be built for the investments stated in the Minister's opening address, not 185 units as the Minister stated; 118. I'm concerned that the Minister is overselling the program and, again, when I'm asked to consider my vote for any allocation, I want to know what I'm getting for it. The Minister is not giving us straightforward information here compared to what he said in his opening statement and what he now says will be delivered. It's quite a discrepancy between 185 housing units and 118. Now I stand to be corrected; but from what I've learned so far this afternoon, we're not getting straight information. That is, again, one of the reasons why this committee has a chronic and growing concern with the corporation and with its programs and how it says it's going to go about getting them done. I'm going to park that one for now. At least I say now, I do have some information about what is actually achievable with the money that's requested. But I will still leave it on the record that I think the Minister is overselling the capacity and I'm going to be very vigilant and diligent about digging things out and confirming things.

Mr. Chairman, a couple of minutes left here, and I'd like to explore as well, along with a number of my colleagues, the mandate of the Housing Corporation. This is really an essential issue to what is before us, Mr. Chairman, because if we do not have the mandate and the objectives and the outcomes clearly defined and agreed upon in this Legislature and in our committee, why or how are we going to be able to make an approval, or decisions, or amendments on the information that is put forward to us. The mandate of the Housing Corporation and its goals and objectives changed dramatically at least a year ago when the transfer of the social housing portfolio went to Education, Culture and Employment, and it was right at that time. So we're talking about a year ago, Mr. Chairman, that we really expected to engage in creating, investigating, probing and coming up with this new mandate. That was easily a year ago, but these plans have been in place for some time, and among the documents that committee has collected and I've

collected, is a progress report dated April 13, 2004, almost two years ago, entitled Redefining the Mandate of the Northwest Territories Housing Corporation. It's a four-and-a-half-page memo. It's very well put out, Mr. Chairman, that describes the specific task, the current status, other participants, issues and considerations, analysis and timelines. The proposed work plan in phase II suggests, Mr. Chairman, that the approval received by the Legislative Assembly would be by November of 2004, and implementation of administration of public housing portfolio subsidies by the new department would begin in April of 2005. So we're way off the beam here. When the Minister says that the new mandate...He said in his opening statement, "as you are aware during the past year the corporation has been involved in redefining its mandate." Well, this goes on for more than two years now, and if I have a question for the Minister it's to ask for some kind of an accounting or an explanation of why the corporation has missed by, it will be two years now, a plan that it put out two years ago. Can the Minister account for this amazing slippage in the commitment to the Assembly? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, before anybody out there in the public gets the assumption that I'm misleading anyone here in the House, I just want to point out from the Hansard I read earlier today that I made it clear that these missions in regards to our plans are subject to continued support from the federal government in the amount of \$50 million over two years. It's in my opening comments. So I don't want anyone out there to assume in any way I mislead this House by making that statement. The statement is clear. In order for this to proceed, we need the federal \$50 million to achieve that. It's spelled out in my opening remarks. I think in regards to the Member having information that the mandate hasn't just popped up in the last couple of months. This thing has been in the process for over two years, like the Member mentioned from a letter that he pulled out of his hand in regards to my comments, that over the last year we have been in the process of working with our local housing authorities, our maintenance people, our regional directors, and also having regional meetings in the regions with the regional staff, having meetings here in Yellowknife with the territorial staff, that includes LHO, every regional director. So it's not as if we were hiding anything from anyone. This process has been going on for a very long period of time and because of the change of direction by the Government of the Northwest Territories in regards to the social component of our responsibility, which is now devolved to the Department of Education, that we will continue to manage property in the Northwest Territories for the wellbeing of the residents of the Northwest Territories. So I would just like to point that out for the record. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Next I have Mr. Yakeleya.

MR. YAKELEYA: Mr. Chair, I just wanted to ask the Minister about his comments here in terms of the housing that he's planning to put into the communities. Even 118 units, even if we don't receive any type of favourable response from the federal government, we have 118 units, as you mentioned. That's quite a few units. How is it going to work with the communities in terms of putting

these units into the community in terms of the lot development, power poles and any other infrastructure that has to go to get a lot ready for these units? Right now they're sort of rushing the lots to get into the communities because of the weather and the communities that don't have all-weather roads or access to a winter road is only open for a short period of time and the gravel pits need to be opened and get gravel into the communities. So I just wanted to ask the Minister in terms of what type of security or what kind of plans did you put in place to make sure we have our lots well developed and in place before we get these units built on these pads? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chairman, we have identified 33 units to go into communities who are on the winter road system and they have been ordered. We're hoping to get them in with the winter road this year. So they will be in those communities. We have 33 units already identified. Again, we're hoping to have a response back as soon as possible from the federal government. Once we get that then we'll have a better idea of the rest of the allocations by way of barge and whatnot to the other communities. So right now, the allocation that we have, what they committed to is the allocation for the winter road, the 33 units, which will be going in basically right now to get them into those communities on the winter roads. So, again, I'm hoping to get a response back from the federal government. Again, I believe it will be a positive response and I think that we have to assume that and if we don't, we'll have to readjust it after that period. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chair. Mr. Chair, I wanted to ask the Minister again in terms of the coordination efforts by Housing with other departments in terms of developing the lots for the communities for these units to be in the communities. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we will be going into each community and having community meetings and getting community consultation and making them aware of the number of the allocation, the lots that are going to be required, and also with that consultation with the communities where these units should be built. So we will be going community by community in regards to the allocation, and also working with the communities to identify the appropriate lands that are going to be needed to build these. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chair. In terms of the part of the consultation and coordination with the communities that are going to receive these units, would the Minister then look at the other departments that need to be part of this consultation and coordination to get these pads ready? An example is the MACA sewer and water system, and NCPD for power poles that need to be in these lots, and probably other agencies and other

organizations to coordinate that this is what needs to happen to have these lots prepared and ready for these units that would be coming into the communities. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, we are doing that to ensure that we are able to work with the other departments to ensure that we would have this smooth transition to get these units on the ground, and also working with MACA and the Power Corporation and also other departments to ensure that we are able to deliver a number of units. We are going to, but, like the Member says, there are implications in regards to water/sewer delivery, to extension of your power grid, to looking at your road systems and whatnot. I think it is important that there is going to be a major undertaking to do this. We do have to work with the other departments. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chair. The \$4.8 million to fund emergency and other repair programs and various seniors' programs, under this concept here, is a certain amount allocated out of this solely for Senior Citizens' Home Repair Program? I know the Minister indicated earlier that he said it is application based. It is pretty general. Everybody could fill out their application under the emergency and it would eat up on the other programs. In this funding or the different programs he has outlined, do they have a certain amount of money that is dedicated solely for that purpose? I wanted to ask that question. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Yes, Mr. Chair, we do take applications in the fall time and also we are able to identify where the needs are. Based on core needs, we try to identify those people in most need where we think the emergency or crisis is. Through that information, through the applications, we have a general idea of where the dollars should be spent on the repair programs. Then, from there, they are basically allocated by each community, based on a number of applications and also where we see the highest need based on core needs. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Yakeleya. Thank you. Next I have Ms. Lee.

MS. LEE: Thank you, Mr. Chair. I used the last opportunity I had to speak on generality, so I would like to try to focus on specifics here. It is in regards to the Novel housing which was mentioned in the Minister of Finance's budget statement. Also, I had the opportunity to ask the corporation some specific written questions. I received a reply on that. I appreciate the answers. It was quite lengthy. It contained a lot of information, but I do still need some clarifications. The first one is -- and I will try to be brief in my questions -- one of the things that the Minister indicated is that this project hinges on three different things. One is, of course, that the pipeline has to get through. The second one is that ATCO has to get the contract. The third one is that the federal government

funds this. One of the things I am wondering, because it says here that the Minister received a positive response from former Housing Minister Fontana. I would like to ask the Minister whether he was able to get anything in writing. If not, why not? When you are aware in a minority government that the government could fall at any time, why would he not have gotten something concrete that he could go to the new Minister of Housing Finley with? Thank you. That will be my first question.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, the simple answer is that the funding we are asking for is in future funding, which is 2011-2012, because we are not sure who the government is going to be of the day, and that this government could not make commitments to future obligations, similar to this Legislature here. CMHC does have our proposal which has been given to them. They are pretty receptive to the proposal. Again, it is based on the approval of future governments to continue the lobby, continue to keep them aware of our proposal and see where that goes. Right now, because of the future commitments, the federal Minister could not commit to future allocations because it is outside the mandate of the previous government and also because it is future funding for 2011-2012. Thank you.

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

MS. LEE: This project was estimated at about \$200 million last year, but now it is up to almost \$300 million. It is a huge project that I think the Minister would be well advised to put in writing. I am not sure that, this being a future project, should preclude that. My understanding also, Mr. Chair, is that the agreement that the former Minister Fontana gave is to the effect that the federal government will fund it at the back end, meaning that they would only invest whatever their portion is once the project is up and running, which tells me that the federal government is not ready to take those risks and liabilities associated with this project, which puts into question for me the trust and confidence they have in this project. So I think that is something that the Minister really has to work out here.

I have a lot of questions here, so I am going to move into the next question. That has to do with an assumption here which says that, one of the assumptions, of course, is that the ATCO has to win the contract. Let me just state that I don't have any knowledge or information, but ATCO, I know, is a good company. They do a lot of work. My question here has to do with this as a business project. Is the Minister not concerned that a government is actively promoting a project like this, which the government has already stated in my written answer, that the government has been very active in promoting the Novel initiative? It is right here in the written answer. Is the government not concerned that the Minister and the government spending time and energy and money actively sponsoring a project like this might be seen as interfering with the private market effort? I could see it as we have two airlines, First Air and Canadian North. Would it not be problematic to any third party if the government starts lobbying for one airline to get all the contracts for the pipeline or something like that? Has the Minister ever considered that it might be inappropriate even for a government to sort of back one company and to say, even though the government

says it is assumed, this is not going to go until they get the contract...Well, if the government backs the project, the government says they are going to buy from ATCO, isn't it...It says in the answer here that the government has not really talked to Imperial Oil in a serious way because they don't want to talk about it until they know that they are going to go with the pipeline, but there is too much of that grey stuff that I don't really like. I would like to know if the Minister, as a Minister of this government, addressed that question in his mind about whether that is an appropriate thing for him to do.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, there is the only one company in Canada that has a patent on this idea. The company that has the patent is ATCO Structures out of Calgary. No other company has patented the idea. That is what it is. It is an idea of how you take workforce camps and, at the end of the project, and once it is over, you are able to convert it at a cheap cost, useable modular homes. Again, it is all hinging, like the Member mentioned, that once the project is concluded, we will work an arrangement out with the Mackenzie gas pipeline group, not with ATCO; with the outfit that will build the pipeline and purchase these camps. We will take it off of their hands after the project is concluded. Again, it all comes down to federal commitment for the \$90 million. Again, that is hinging on the federal decision to go forward with this project and fund it. Without the federal funding, there is no project. Because of those reasons, that is the reason we are looking at this.

I would just like to point out we are not the only jurisdiction in Canada looking at this idea. Manitoba government is looking at it in regards to Labrador and Quebec. There are other First Nations' governments across Canada who are seriously looking at this type of arrangement for economic developments that are taking place in their backyards that they want to be able to see a win-win situation with these developments where you don't have the 500 to 600 man camps in your backyard and you don't get anything out of it.

Again, it is the concept. It is starting to spread. Other groups are looking at this. We are not the only group that is looking at it. Again, it all comes down to a company that has a patent and basically they are the only group that has the patent in Canada. Thank you.

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

MS. LEE: Thank you, Mr. Chair. The written answer that the Minister gave to my question says that this project will cost \$297 million. CMHC contribution will be \$119 million. I am assuming that the federal financing goes in there. GNWT contribution will be \$116 million and the industry contribution will be \$62 million. Mr. Chair, the Minister states that ATCO is the only one with the trademark of Novel, but that is not to say that that might be the only company in the world who could do some kind of a conversion. I don't know that. What I want to know is that this government has done due diligence to see that, if anybody is going to spend...I think any company, if a government goes and says, we have a \$292 million project, what could you do with this? I am sure a company other than Novel would have thought of

something. ATCO might be the only one. I don't know that, but what I need to ask, as a public official, is that the Minister and the government has addressed that question, that they asked somebody about what could you do with \$292 million. I would like to know if the Minister has asked any company unless, of course, he is going to tell me that ATCO is the only company in the world that could do this. I want to know if he could verify that. I would also like to know if the industry contribution of \$62 million is coming from ATCO. Thank you.

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

HON. DAVID KRUTKO: Just to make it clear on the contributions from ATCO, there is no contribution from ATCO. The money the Member mentions is that \$26 million will be achieved through the selling of the units. So we sell the asset. We will sell enough to retain \$26 million through private sales. The other thing is that we are talking here of some 1,400 houses for \$230 million. Economically, you couldn't accomplish that in regards to stick-built construction wherein someone who lives on low income needs to be wanting to own their home can arrive at that. The number we are looking at is about \$100,000 to \$110,000 per unit. I don't think that you can go wrong with purchasing 1,400 units for \$200 million. If that is the math that we are dealing with, then I would just like to point out again for the Member that there is no industry contribution. That is basically on the basis of sales. There was a letter that was sent. You can clarify that, Ms. Lee.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Next I have Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chair. I wanted to question the Minister a little bit further in terms of seniors' residences. I guess he mentioned earlier that there are now five seniors occupying the Tuk seniors' complex. Even though he did mention it in this reply to a written question that I had, I would like to see some historical evidence of occupancy in that seniors' complex in Tuktoyaktuk, as well as the other ones in Fort Resolution and Deline. It is important that we get that historical type of information.

I was wondering if the Minister could let me know if there are any other seniors' housing projects in the works at this time in the Northwest Territories. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, we are working with a few seniors' societies to look at expanding their senior allocation. Aven's Centre is one of them. We are also working with the group out of Hay River to look at seniors' housing. Also, we can get the Member the historical allocations because we do have a lot of seniors' facilities in a lot of communities. Most of them have been transferred over or used for other uses such as public housing or market housing or whatnot. So I would like to give the Member that and provide him that information in regards to historical numbers. But as I say, right now we have some 416 people in seniors' houses in the Northwest Territories. But I can get more information for the Member on it, if he would like it, at the appropriate time.

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

MR. RAMSAY: Thank you, Mr. Chair. I guess I am more interested in the Housing Corporation's involvement in the Hay River seniors' complex. Maybe the Minister could let me know. To what extent is the Northwest Territories Housing Corporation involved in the project in Hay River? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, I believe the Hay River seniors', we have land that we are allocating to the project. I think roughly the estimate on the land plus I think a bit of cash is \$450,000 towards that project. Again, it is subject to different approvals and whatnot. But with the land and the allocations, it is roughly valued at about \$450,000.

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

MR. RAMSAY: Thank you, Mr. Chair. I can almost guess what the reason would be, but what is the Housing Corporation's primary reason for involving itself in this project? The reason I am going to say that, Mr. Chair, is I have seen the NWT Housing Corporation's involvement in seniors' complexes in the past in Tuk, Deline and Fort Resolution. In light of the failure to get any type of uptake from seniors living in those communities to live in these facilities, I am just wondering if the Minister can let me know or what can he do to assure Members of this House that there will be an uptake from seniors in Hay River to occupy this facility? Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. I will allow the president to respond to that.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Koe.

MR. KOE: The complex or the project in Hay River is a coordinated effort with the Hay River Seniors' Society. They, in turn, are working with a local construction company. There is some ownership partnership arrangement between the seniors' society and the private company and also, as the Minister mentioned, we are looking at making a contribution under one of our programs where we contribute \$25,000 a door, plus the land. We are looking at about a \$450,000 contribution. We are looking at building 25 one-bedroom apartments.

The deal is still obviously under negotiation. There has been no agreement signed. The corporation or the groups in Hay River are very close to finalizing a cost. There has been a considerable amount of market assessment done by the groups in Hay River. There has been considerable amount of meetings between the seniors' society and ourselves in trying to make sure that the project is feasible. So there has been a lot of work, but, as of this moment, there's no signed agreement. We're waiting for a formal proposal with the formal agreements with, obviously, all of the protected clauses in place.

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

MR. RAMSAY: Thank you, Mr. Chairman. I guess given the past, you know, in terms of seniors' complexes and folks not moving in and not wanting to live in these things, I'm just wondering, could it be contingent upon the Housing Corporation working with the Hay River Seniors' Society to get a list? If there's going to be 25 units there, I think at the very least you should have 12 or 13 names of people that are going to sign up to live in these units because if you don't, there's no guarantee that they're going to be seniors' units. From what I understand, there were just 12 units that recently came online in Hay River, and I don't understand why we couldn't get names before we get out there and try to get something done. So I would like to ask the Minister, could it not be contingent upon the Minister or the Housing Corporation coming up with 12 or 13 clients and get a list of people before you rush out to build this new complex, because that never happened in the past and I'd like to see it happen? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, it is a business deal and individuals will have to go to the bank for a large portion of this money and he will have to have a business case to do it. As part of that business case, we will have to have the client or, basically, a customer base to provide these 25 units. I believe that we are looking at that in regards to other places, which we have done that through our Supported Lease Program. I think that through this, again, it is not a completed deal yet. There's still a lot of legwork we have to go through and we have not signed off anything yet until we see the complete package before we are able to proceed. They do have to be able to prove to not only ourselves, but the bankers and other people to finance this arrangement. So, again, it's still in preliminary discussions and there is no final decision, but best-case scenario they will have to prove to us that they are able to access the bank financing along with our financing for the best business case. Thank you.

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

MR. RAMSAY: Yes, thank you, Mr. Chairman. I think the Minister and the president know what I'm getting at and that is that it's easy for somebody to go to the bank. If you've got the land and you've got I think he said \$450,000 in your front pocket and you go into the bank, it's easy to get financing. Financing is the easy thing to do. Trying to come up with clients to occupy the 25 units, that's another story. I think you have a lot of work to do to try to find clients that you're going to put in there. I've got no problem with building a seniors' complex anywhere if the clients are there to fill it. I think that's what I'm trying to get at, and just before my time runs out, Mr. Chairman, I wanted to ask the Minister, typically in a seniors' complex like the one that's being proposed in Hay River, what is the cost of renting a unit in a complex like that, or what do you foresee the rent being in a room like that? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. The proposal we've seen so far to date is it's \$900 a month.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Next I have Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. So to go back to some of the questions that I asked previously, I asked the Minister specifically what they're doing for the people who are hard to house. My question was if not social housing and if not the support of someone or an agency such as the NWT Housing Corporation, then who would be possibly taking these tenants on as clients? The Minister mentioned that they fund NGOs, and I'd like to ask the Minister are the NGOs that they fund -- and I assume he means related to housing and hard to house folks -- are any of them located outside of Yellowknife? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mrs. Groenewegen. Mr. Krutko.

HON. DAVID KRUTKO: Yes, I believe we fund Turning Point out of Inuvik. I'm not too sure of anywhere else, but maybe the Minister of Health can help me out here, who is the Minister responsible for homelessness. We do, I believe, approve some \$450,000 to go to NGOs for the homeless. If the Minister of Health would like to elaborate on the homelessness funding.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, there is money that's been put aside for this winter as we continue to work on a longer-term homelessness strategy or strategy for the homeless. There's some money that's been identified for Yellowknife and Inuvik and some in Hay River. As well, there's a fund of \$150,000, I believe, that's been set aside for small communities to use on a case-by-case basis should there be circumstances that arise as there has been over the last number of months. It allows us to, on a short-term emergency basis, deal with those individuals that are called absolutely homeless, meaning they have no warm place to stay. In the longer term, we're looking at the issue of relative homelessness, but that's what Minister Krutko is engaged in in the longer term on the issue of relative homelessness. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Miltenberger. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Now I'm confused. Whose money is it? Is it the Health and Social Services' budget for this short-term and long-term relative homelessness, or is this money for the Housing Corporation? How much does the Housing Corporation put into hard to house, and I've got to tell you hard to house is not a short-term problem. Hard to house are people who have issues with their lifestyle perhaps, some have problems with mental illness, some have cognitive impairments, adults with FAS. Hard to house is not a short-term problem in the Northwest Territories, let me assure you. Who is the \$450,000 from, Housing or Health? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: The Minister of Health can take the question.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, the issue that the Member raises is a very good one; well, it's not a good one, but it's a very difficult, complex issue. What we have had working together is the social envelope Ministers, which are Housing; Education, Culture and Employment; Health and Social Services; Justice; and Municipal and Community Affairs. We've put in a supplementary appropriation for this winter to deal with the issue of those folks over the course of the winter that have no place to stay periodically. I recognize that the hard to house is an ongoing problem and it is with us and it is going to continue to be with us. The concern about the funding for this winter was to make sure that we had the capacity to deal with those circumstances so that no one would freeze to death because they didn't have a warm place to stay over the winter. In the longer term, we're looking at expanded facilities. There's a homeless coalition in Yellowknife; Inuvik is working on some plans up there with their facility and the relative homelessness, which are those people that are inadequately housed within the longer-term mandate of the Housing Corporation. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. We also support the Salvation Army by way of a rent supp, and also we do fund the Yellowknife Women's Centre and also homeless for basically transitional housing that is in Yellowknife. So we do fund different non-profit organizations, especially here in Yellowknife. So we do fund those organizations.

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

MRS. GROENEWEGEN: Thank you. I'm still confused. Who funds those organizations; Health and Social Services or the NWT Housing Corporation? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Clarification, Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we fund them through an interest-free loan on their mortgage. So part of their mortgage payments we deduct a certain portion. So we support them by way of funding them money towards their mortgage.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Going to my next point that I raised in my previous set, and that was emergency housing realities in view of six-month waiting periods. Now I think a lot of these obstacles I referred to earlier boil down to something, which it's hard to integrate into government policies, and that's common sense and some discretionary latitude for LHOs to use their own discretion to assess what is an emergency, what is a real need, what is something that

needs to be responded to in terms of a housing need. It doesn't matter whether you're talking about people who are hard to house, or people who need emergency housing or people who, you know, it's just not a perfect science. There's unusual circumstances surrounding this from time to time. There's things going on in people's lives, there's family break-ups, people try things, they may even move south, they want to come back, things don't work out. Sometimes there needs to be some discretionary latitude and that's why LHOs have boards and that's why there are community representation on it so they can make those kinds of decisions. The Minister had mentioned before, Mr. Chairman, that they do hold houses for students, so if somebody doesn't want to go away and upgrade their education and wants to come back to the community, but doesn't want to go to the bottom of a waiting list again for housing, they hold it for students. Are there any other circumstances under which people could be away and get back into public housing without having to go on a six-month residency-type waiting list? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, under special circumstances, especially for medical reasons, we will hold the person's unit. If they have to go down south for treatment or whatnot, we will maintain those units. Again, the problem that we're having, especially with the LHOs, is we just don't have capacity for the number of people that are on our waiting lists. Roughly right now we have some 410 people on a waiting list to get into social housing. So because of the capacity issue, we're not able to accommodate, but the LHOs do make the decisions in regards to working with the clients and in most cases try to work with them by way of trying to sit them down and work out a payment plan if they have arrears, or try to make them aware that they do have to work off some of those arrears where they will hire them either locally or whatnot or give them a paint brush and say here, work so many hours so that you're able to work off your arrears. I think there's ways that they've tried to work with their clients, but again, because the biggest challenge we have is just the number of people that are on waiting lists, that's why we have such a shortage of not only houses, but also people that do get evicted or basically try to get back into the system, realize that you're at the bottom of the list and that there's other people ahead of you that are trying to get back into the system. So that's the biggest challenge we are facing right now, is because of the number of people that are on waiting lists and also to try to find ways of working with the clients to work off their arrears and try to make them aware that they do have responsibilities to work with them to work out those arrangements. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. I thank the Minister for not running the clock out because I know he'd be very capable of doing that if he wanted to. Mr. Chairman, one other question, it has to do with the rent scale and it has to do with seniors. I mean, I am very supportive of seniors; they've worked hard, they've contributed to our communities, I do believe they deserve a break. However, when we talk about housing in the context of a crisis in the Northwest Territories, I want to know what's happening with the housing rent scale for

seniors. Right now, as the system stands, and I do not begrudge any senior taking advantage of this program, as a matter of fact, I'm almost 50 and in 10 years I'm going to be 60 and if the government still has this program out there where anybody, regardless of income or means or pension or anything else, can get free housing with the NWT, I'm sure you're going to see...Baby boomers are coming up, you're going to see a lot of uptake. As a matter of fact, we do see it happening now and, like I said, these 12 seniors' duplexes that have just come up in Hay River are very nice little two-bedroom duplexes, but you have to understand there is no means test applied. So in fact, anybody 60 years or older can apply to live in there and if they're accepted, they get it. Now I just don't know how we reconcile that kind of support with what we keep calling the overcrowding and the severe shortage of housing. I don't know how we reconcile that kind of investment in seniors' units that we give for free regardless. It doesn't matter if you sold your house to move in there; it doesn't matter if you've got a government pension; it just doesn't matter. You are in for free housing. Now, like I said, the people who are taking it up I absolutely understand why they're doing it. I mean, it would be seriously tempting for anybody who could get a deal like that to take it. It's not their fault. The government is offering it; they're just stepping into that opportunity. But how do we rationalize that with our other demands on housing? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the Member is quite right. The seniors' subsidy for housing is almost \$670,000 and I think that now has been devolved to the Department of Education through the social funding transfer in which we will now look at all social funds in one area and at that time, they will have to look at exactly the cost of these programs. Again, under the existing program they will have to go to the Department of Education, Culture and Employment for the subsidy, which presently we provide by way of the cost to us is \$370,000. So those dollars will be coming out of the \$30 million that will be transferred to Education, which will now be assessed through the Department of Education, Culture and Employment. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. I've got Ms. Lee next. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. Just a couple more questions on the Novel project. Industry contribution, once again then, could I just ask the Minister if there is any money, any amount budgeted for \$297 million that would come from the ATCO in any way, because I thought for some reason that they were going to make some kind of contribution? Will they make any contribution in-kind, for example? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, there will be no industry contributions. It will come out of the sale of the units. The number we're working from is \$230 million.

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

MS. LEE: Thank you, Mr. Chairman. Mr. Chairman, as much as I appreciate the information that was given to me through the answers to my written questions, when you read it closely it's quite surprising how little detail there is still for a project this big. I mean, we're talking about a \$297 million project that is supposed to provide over 1,400 homes and it's a project where the Minister is stating that CMHC and Housing Canada is supposed to give \$119 million and the GNWT is supposed to give \$116 million. We're talking really, really, really big money and I am surprised with the answers that the Minister gives about the fact that because this project is not going to happen until 2011, that comprehensive implementation plan and planning will take place and we have enough time to do that. I have to tell you that I do not agree with that. I cannot believe that the Minister was able to get a positive response and I don't know what that means because we don't have anything in writing. I cannot believe that he could get that with such little information. I would think that if a private business wanted to do a \$300 million project and they're asking the government to put in \$120 million, you would think that you would need more information on the ground.

Mr. Chairman, one of the questions I asked was because the Minister stated in this House that he projected to put in 100 units a year because he thought that is how long it would take for the communities to develop the lots that are needed to put these units on. Simple math is 100 units a year, 1400 units, that would take 14 years. What would you do with these things while they are waiting around to be placed somewhere? The answer I got from the Minister is they have looked at it and now they have estimated that they could deliver 460 to 470 units per year. It just came out just like that. So I would like to give the Minister an opportunity to explain. What makes him think he could deliver 460 to 470 units per year? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we have had quite a few people looking at this. This is not only coming from us. We have people at CMHC, the federal agency that looks at housing in Canada. We have had people from ATCO, ATCO Frontec, and also we have been working with communities to see exactly what lands are going to be available after the pipeline project is over. I believe that the Member is correct; this ain't going to happen until 2011. We can't make a commitment here on something that is going to happen possibly in the 17th Legislative Assembly. Because of that, the federal government can't make a similar commitment at this time because it is future expenditures that will have to be made. So all we are doing, Mr. Chairman, is trying to find a price that we feel comfortable with, along with CMHC, so we feel we can deliver it under future program dollars once those dollars have been identified. So at this time, it's not for me to say that we can make that commitment, because realistically we can't.

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

MS. LEE: Thank you, Mr. Chairman. I am quoting from his answers to me on Return to Written Question 19-15(4). In the last question it says here that we...I am reading here because he did not answer my question.

"We estimate that Novel home delivery and conversions will begin in 2011 and be completed by 2014." So now we are looking at a three-year turnaround. It also states that, "We estimate delivering 460 to 470 per year." This is an entirely new figure. Prior to this, we had been talking about the Housing Corporation possibly delivering 100 units per year and I think everyone -- and I am asking a pretty valid question here -- understands the complexities involved in finding lots. It's not just about sending the workers out there and bulldozing down some flat lands so that trailers can go on it. Novel home, I am not supposed to call it a trailer.

There are lots of discussions from government to government to government and the relationships that have to happen. We also know about the recent example of the market housing initiative where the Housing Corporation has had difficulties delivering 24 units. If the Minister is indicating that he has had CMHC people look at it and community people look at it, can we look at it? What information does he have that gives him the confidence and the evidence to state that he can deliver 460 to 470 units per year, rather than 100 units per year? I want to give him the benefit of the doubt that his department had the information when he answered this question. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I have offered to the Member to travel to Calgary to see this for herself. The offer is out there. It still stands. If she wants to take it, it's there. The Member also has to realize that by 2011, the project will be completed. So you will have a lot of businesses that will be looking for additional work once the pipeline project has been concluded. Logistically, that's why we are going into communities to identify with the communities what lands have to be developed and also where they want these Novel houses put. Also, we have to deal with MACA; we have to deal with the Power Corporation; we have to deal a lot with agencies within this government to deal with such a huge project that's going to have implications throughout the whole Northwest Territories. I, for one, feel that once we get to that point and are able to do the total assessment between now and then and identify where those units will be put, how soon we can have those lands developed and how soon we can get that infrastructure in place, at that point we can see the timelines we are talking about. Under the existing scenario we put forward, we believe that we can deliver, based on the location of where these units are in the Inuvik region, the Sahtu region and the Nahendeh region, the distance between where they are going and the communities they are going into, that will be the logistical issue we have to work out. Because of the scenarios that we have thrown around the table, we figure that's doable with regards to the 400 units in the time frame the Member mentioned.

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

MS. LEE: Thank you, Mr. Chairman. For the record, I did get an invitation to see the Novel project in Calgary and I don't believe I need to see the site to make these arguments and ask for information. I do believe this project has to stand on its own. I would also extend an invitation to the Minister to come and visit my riding where I am sure there are at least 1,400 mobile homes already.

My question is not, and has never been, about mobile homes. It's not a question about whether ATCO units are suitable. I am sure they are very beautiful and adequate. I don't have a problem with that. I want the Minister to be able to provide evidence that makes this project stand on its own and that the government is not being used as a lobbyist for a private industry, which I don't believe is the right way to do these things. Mr. Chairman, he has not answered questions about what makes him think he can provide 460 to 470 units per year. He said I should go down and look at it, but I think the lots are located not in Calgary but in all our communities. All the questions that I asked about what the training opportunities are, what the business involvement opportunity for NWT businesses are, the Minister answers over and over again that those details are going to come later, prior to 2011. I don't understand how he can be lobbying for this project without that information. I would like to know when will the Minister provide that information, and would he commit to this House that he will not be signing anything on the dotted line until he presents the total package to Members of this House that he's going to commit for \$297 million for the next 20 years at least? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: I would just like to clarify the Member's numbers. There is no \$290 million. We are talking about \$90 million from the Government of the Northwest Territories, \$90 million from the federal government and being able to sell out a portion of those units to generate \$230 million. I don't know where the \$290 million number comes from that the Member is throwing around. Again, it will have to be worked out by way of planning and good planning in order for us to be able to deliver this. The cost to the Government of the Northwest Territories is \$90 million, which will be matched by the federal government. We will not take these units on until after the project has been completed. At that point, we will then take ownership of those units once we have negotiated a price that we feel that we want to be able to afford. The issue that has to be realized here is the question of affordability. For us and CMHC, we are able to deliver houses to people at a low cost which is affordable and also that we are able to have people move into these homes who can't afford to pay the mortgage. The way it sits now, no one can afford a \$300,000 modular home that is being sold in the Northwest Territories, but they can afford a \$100,000 home which will be sold out of this proposal, so economically viable to the individuals who are going to move in there. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. I have Mr. McLeod next. Mr. McLeod.

MR. MCLEOD: Thank you, Mr. Chairman. Like my colleagues, I have concerns with Novel, too. I think it's a good concept, but I think the Housing Corporation should have been working with ITI and MACA trying to come up with a good plan and Housing can look after the technical part of it. However, my questions are with regard to the Supported Lease Program. I notice there is 112 units in the Minister's opening statement towards the Supported Lease Program. I would like the Minister to explain what the program is and which group of clients it's aimed at. Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the whole idea of the Supported Lease Program is to get individuals who have been social clients for a number of years and get people into owning their first home. Through the Supported Lease Program, they lease the unit for two years and pay the costs we would have had to pay, the operational costs, and also ensuring that they are able to maintain the unit over two years. Once we've gone through that two-year period, we sit down with the client and work with them to go to the bank and get a mortgage through EDAP, so that we are able to get individuals into homeownership and allow them an opportunity to own a home and what responsibilities you have as a homeowner.

So the idea of the Supported Lease Program is to get people into homeownership by way of a lease arrangement and work with them to do the transition from being a lessee to being a homeowner. Thank you.

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

MR. MCLEOD: Thank you, Mr. Chairman. Of the \$32 million the Minister mentioned in his opening statement, I would like to know how much of that is going towards the 112 units. I am getting the feeling that this is starting to sound like another subsidy program. It almost appears to me like a second tier public housing type deal. I want to know from the Minister how this is affecting, or if this is affecting, the other programs that the Housing Corporation runs. I am sure they had a program called the Independent Housing Program, which was almost along the same lines. It just seems like they are duplicating and creating a second tier of social housing. What is going to happen to these clients after the two years if they have proven that they can't look after the units? Do you bring another one in there for another two years? If they can't maintain the unit, will they bring another one in there for another two years? All we are doing is just subsidizing again every couple of years, just like public housing does now. There were a few questions in there and I would appreciate a response from the Minister. Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the idea of the program is to get people into actually paying the operational costs of those units, so they will be responsible for paying the power costs, the utility costs, and ensure they realize there is a cost associated with homeownership. That is the portion they will have to be paying for two years. Once they have gone through that process for the two years, at that point if they want to buy the unit outright, they will continue to pay the utility costs and then become homeowners. The problem we are having with the transition from moving people from social housing to access housing -- and I know the Member touched on it -- we are sort of setting these people up in social housing. We pay the monthly rent, but you don't really understand what the cost to operate that unit is until you move into your home. A year later, you find out you just weren't ready for the costs to operate a home. I think through the idea of a Supported Lease Program, we are hoping to be able to deliver that. We also realize that this will be an application-based program to find the clients we feel will meet that criteria and are ready to move into these programs.

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

MR. MCLEOD: Thank you, Mr. Chairman. The Minister missed a few of my questions. I asked how much of the \$32 million is going towards this program and if it was affecting the other programs the Housing Corporation runs. Thank you. Thank you.

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

HON. DAVID KRUTKO: We are looking at 108 units; roughly about \$19.9 million.

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

MR. MCLEOD: So \$19.9 million. That answers one question. The second question was, is this going to affect the other programs the Housing Corporation runs because it's another subsidy? I am all for people getting into their own homes, but if you know you can't maintain a home, it just seems to be one program set up after another. EDAP, as far as I am concerned, is a pretty good program where people will go to the bank and get the money. If you know you can't maintain the home, why bother going to apply? The Housing Corporation is going to recoup some of their money out of this instead of just providing another subsidy and a second layer of public housing, because if they don't qualify for a mortgage, do they move into public housing? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, this will be an application-based program where we will screen the application, identify which clients we feel meet the program. One of the things we are seeing is we are hearing a lot of complaints from people who are in social housing who are paying the high end of the rate scale. Because of that, they don't seem to be getting any further ahead with the amount of money they are paying on rent. Because of that, we are trying to free up some social housing and get those people who are paying at the high end of the rent scale into homeownership. Yes, we have had experiences where people have gone into a housing program where they had to give the unit back to the Housing Corporation. With this program, we see that there is a mechanism for them to continue to maintain the home by continuing to pay the utility costs. Once we feel that they have the abilities to pay a mortgage, then, at that point, we allow them to get into a mortgage. It's for people under the EDAP program we have now who are eligible to go to the bank and get a mortgage. So this will supplement that program.

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

MR. MCLEOD: Thank you, Mr. Chairman. People in social housing who are paying the high end of the rent scale are people who I hear about who want to get into EDAP, but they can't because they make too much. Now we are talking about starting a whole new subsidy program, another layer of public housing. So it doesn't seem that that is the group this is geared for. I will ask my final question again; will this affect the other programs that

the Housing Corporation offers. Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, this program is there to try to catch those people who are in a situation where they may have arrears. They are not able to pay down those arrears in order to get into EDAP or be able to go to a bank because they have a bad credit rating. So we want to be able to work with them to be able to get them back on their feet and assist them with a payment plan and allow them to move into these units, paying the utility costs for the two-year period and then be able to get them on their feet to purchase the unit outright through EDAP, or go to the bank and get a mortgage. It's a transitional period for housing for individuals to get into these types of programs.

Also, we will be providing counselling to these individuals with regard to the services that we do provide. We'll also work with them to be able to secure a bank loan with the client and the banks to be able to make them access these programs. There are a lot of barriers that a lot of individuals that have had, for one reason or another, who are in social housing; but in order to break that cycle, you have to try something new. This is the idea of this new program; to try something that we feel will be able to get those people into homeownership and out of social housing.

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

MR. POKIAK: Thank you, Mr. Chairman. There's been a lot of good questions to the Minister here today. I think what we should be doing is grabbing hammers and building units. But anyway...

AN HON. MEMBER: Hear! Hear!

MR. POKIAK: Mr. Chairman, earlier, the Minister indicated that there are 33 units being shipped on the winter roads. Is that correct? Out of the 118.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Yes, we have ordered 33 packages for housing to get to the communities over the winter road. It's 33.

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

MR. POKIAK: Thank you, Mr. Chairman. What happens to the others? Are they coming out of the 118 units we're talking about now? Thank you.

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

HON. DAVID KRUTKO: Yes, it's 118.

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

MR. POKIAK: Thank you. With regard to the other units, my calculation costs are for about 85 units. Are those on

order already now too for the summer shipping season to other communities if required? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. No, we haven't proceeded with filling out the order for those units yet because the barging season is a bit down the road.

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

MR. POKIAK: Thank you. There are a lot of occasions where people are complaining that there...(inaudible)...some more here or there. It makes good sense for some of the communities that need barging, has a barging system if they're required for any housing package, that should be ordered now. When will you decide that? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. As soon as you approve my budget, I'll get the orders out right away.

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

MR. POKIAK: Thank you, Mr. Chairman. I wouldn't make a comment on that one, but I'd like to. I know the Minister talked earlier about students going to Arctic College and having to leave their community. I understand that each local housing authority has their own policies. I'll give you an example. In Tuktoyaktuk, I know that they allow that a student can go out for a couple of years and they just save the unit for when the student comes back. Is that a policy that the local housing authority makes out? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, it's standard policy that's universal across the Territories. The LHOs follow it. It's a territorial policy.

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

MR. POKIAK: Thank you, Mr. Chairman. Just another one. Just for clarification from the Minister, Mr. Chairman. I understand we have TROs in each community and what you might call community liaison officers or personnel. I'm just wondering, can the Minister clarify for me what the difference between the two jobs are? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. We do have people that do work through the public housing board, which is the LHO, but we also contract that out to the private sector, such as for seniors or through aboriginal organizations.

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

MR. POKIAK: Thank you, Mr. Chairman. But can the Minister indicate to us, are the jobs pretty well the same between the tenant relations officers and the community liaison personnel, and how much is the contract that goes to these organizations? Thank you.

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

HON. DAVID KRUTKO: The tenant relations officer pretty well works for the LHO to deal with tenant relation issues. The people hired under the liaison officer position deal with the program side, working with the seniors, the people who are private homeowners. Basically it's about a \$20,000 contribution that's given to the community for that position.

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

MR. POKIAK: Thank you, Mr. Chairman. How much leeway does the community liaison officer have in regard to expenditure of funding for units? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. None. The decision is made at the regional office.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mr. Pokiak. Thank you, Mr. Pokiak. I have Mr. Menicoche. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. I just had some inquiries as well on our mortgage system that the Housing Corporation has. I know our constituents are very happy once they're approved for a mortgage or approved for a house under any one of the programs, like EDAP or a supported lease. The excitement and anticipation of these families, they are often young families. But I find that a lot of the inquiries, a lot of the concerns that I received in my office are with respect to construction techniques and inspections. What often happens is the constituent says I haven't seen any inspectors and that kind of stuff. But I was giving this some thought, and what happens is that the people that are being approved are the homeowners, but they're not being involved in the process. They should be responsible for the construction of their home once they're approved because often when the house is completed they're responsible for the costs of the house, they're responsible for the mortgage. Sure, there's some subsidy there, Mr. Chairman, based on income and family size, but, overall, they're paying for the house and yet they're not being responsible for its construction.

I'm kind of thinking therein lies the problem. In the free world or in other places, once you're approved for a mortgage from a bank, the money is there for you and it's the same with our system, I imagine. Once you're approved for a system, for a program, the Housing Corporation has the money for you and in the other world the bank has the money for you. In the free system, it is that you are responsible to general contract your own house. That means, Mr. Chairman, you have to find someone to build your house, construct it, or you can do it yourself. But then when you do that, you sign contracts and allow other people to construct the home for you under their own timeline. You're involved, you design your

own house, and you give them some kind of time frame. Usually you want to be in your house within six months.

But then in our system, even though the government's got money for you, they keep the responsibility for building the house. That's driving people crazy because they're paying for it and often the Housing Corporation hands out the contracts, they're giving it to the contractors and they don't allow people to participate. Often they come to me and they say I don't want that contractor building my house because look at what he did to the other 10 houses over the past 10 years. But the corporation says our system is that it's our money and they're the low bidder so, no matter what, they're getting the contract. But if you had a loan from the bank, you would never get that contractor.

So the Minister is going to have to explain to me why it is that they're building the houses for the client. If the client is expected to pay the money and repay that money through a mortgage, then they have to have a say and be part of the process. In fact, in one of my communities, Mr. Chairman, there's a lady getting her new house constructed and it's right next door and she keeps saying that guy is never there, or that construction technique looks shoddy, or the inspector is never showing up for the next stage of the process. Yet nowhere in the paperwork does she get to sign off on work progress, or progress reports, or anything like that.

It works really well in the free market system. You're the homeowner. You have to sign off on the guy's billings. You don't have to inspect it, but you have to sign off the billing. The floor's completed and everything's in place and he's ready to move on to the next step. In the other system, the homeowner actually signs off that, yes, the floor is completed and the guy wants some money and he wants some cash flow, so he signs it off that the floor is completed. But with our government system, somehow the corporation knows better than the people whose houses they're building. But nowhere has the client given the right to the government to build that house for them. So there's something missing there. The Minister is going to have to tell me how that happens that the homeowner transfers the right over to the Housing Corporation for them to build that house and give that contract to whoever they think is right. So I'm a little bit confused there. If it's like a loan, then we should be behaving like it's a loan and give the client and the constituents that responsibility, Mr. Chairman.

As well, that concept can be extended to the repair program because often the repairs that we're doing, like in Fort Liard where we're paying lots and lots for mouldy homes there and it's costing lots and lots of money, too. It's like 40 or 50,000 dollars. Often these repairs, we expect the clients to repay that as a loan, as well. But there again, they have no control over who does the repairs or who's inspecting it, they're not signing off on it and yet we're coming in there as a government and saying, look, we did all this work, you better be paying or we're kicking you out, and the guy says I'm not part of the process, I'm not even responsible for how the work got done. So there's a disconnect there, Mr. Chairman.

I just wanted to know if the Housing Corporation can explain how that system works where they're getting the loan and yet the government's responsible for all the building costs or the building program. I can see it if there was a lack of ability to plan and get these generals out, but, at the same time, the client or customer should still

assign that responsibility back to the Housing Corporation. Because often, they keep telling me that, you're going to let that guy build it even though I approached you six months ago and I said I don't want that corporation or that company to build that house. I can find other people to do it more efficient and quicker.

In fact, there's lots of success stories out there. In Nahanni Butte there's a guy who had his house built in four or five months and he's living in there. That's a huge success. I hear they're trying something similar in Hay River. We're going to have to look at those practices, and look at those successes, and see how they came about. But just in terms of responsibility there, Mr. Chairman, if the Minister can detail for me, or lay it out, how it is that responsibility becomes the Housing Corporation's even though we call them the homeowner. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Mahsi, Mr. Menicoche. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, in most cases with the funding that is provided to individuals through an application for a different program, IHP or EDAP or whatnot, we do have a responsibility to ensure that the public funds that are expended are expended through a process, which is in most cases publicly tendered. Then from there, we do have ongoing inspections, like the Member mentioned. Again, it's at different levels. We have inspections from the foundation, and then you do the framing, and then the insulation and electrical and plumbing and whatnot. But again, it's the process we follow because it is public funds being expended on these housing units.

Again, the Member's right; the individuals don't have a real role to play until they finally move in. They have to sign off on the inspection sheet in order to move into the unit. So basically the involvement of the individuals is usually at the back end. I know this question did come up before in Fort Simpson, when we were in Fort Liard that for individuals that are getting this work done, I don't see why they couldn't be there with the inspector at these different levels, making them aware that the inspector will be there so they can accommodate the inspector to ensure that it is done in regards to the requirements that we expect from the contractor. Again, it's just a question of communication and making sure that the proponent is there who will be the homeowner and is involved in actually seeing their home being constructed, but also being involved on the inspection side when the inspectors do their different inspections and notifying and letting them know that they are there.

That's about as much assurance as I can give to the Member, is that we try to do what we can, but again, we're pretty short in regards to our inspectors. We have asked for an increase in regards to our technical staff so we can have more people on the ground to do more inspections and make sure we're able to carry them out. That's all the commitment I can make to the Member is that's something we should look at to ensure that the client is there during those inspections. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. I have Mrs. Groenewegen next. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. I'd like to ask the Minister, when I brought up the seniors' rent

scale in my last set of questions, he indicated that there's going to be a change soon and that seniors who are living in public housing are going to be now making application through income support and ECE and their income is going to be assessed. Is that what I should understand? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, what I was stating is that now the elder, whoever's in social housing, will have to go to income support to get verification in regards to the amount of subsidies they will receive by way of the new social income program that's going to be managed through Education, Culture and Employment. So they will determine how many subsidies they do receive and exactly how that would be determined. From there, then we basically just charge what the amount of the economic rate is going to be for that unit to the Department of Education, Culture and Employment.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Now I'm really confused. ECE is going to charge income support clients their housing rents based on economic rates for the unit that they're occupying. They're going to be paying their rent to ECE now? You have to spell this out for me. Maybe like Mr. Handley was characterizing Mr. Braden the other day, maybe, never mind maybe. When it comes to this I'm very slow. I can't figure out what you're talking about. Is the seniors' housing rents going to change in the next while based on income? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: No.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: What was the answer? I didn't even hear it.

CHAIRMAN (Mr. Ramsay): No.

MRS. GROENEWEGEN: The answer was no. Okay, thank you, Mr. Chairman. So when I was bringing up the issue that there is no means test applied to seniors occupying public housing units in that last set of questions, and I asked how we -- and again, through no fault of the seniors, but it's a government program -- how do we rationalize that to the fact that we are saying that we have a critical housing shortage everywhere, and yet we will continue to build and offer seniors' units for zero rent? When I asked that question, I was given some answer that had something to do with ECE and assessments and subsidies. So now what does ECE have to do with it? If your rent is free, why do you have to go to income support at ECE? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we will be allocating an economic rent for that

unit the individual is in. So the individual will now have to go to ECE to get the subsidy, which will determine what that rate is. From there, ECE will pay the rent for that senior.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. So the ECE will pay the economic rent of that unit, based on the fact that the person is over 60 and they are a senior regardless of any other information provided in terms of income? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: I think this question is probably better answered by the Minister of Education, Culture and Employment.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. We'll go to the Minister of Education, Culture and Employment, Minister Dent.

HON. CHARLES DENT: Thank you, Mr. Chairman. As of April 1st there will be no change in rents for people in social housing. So those people who are in social housing as of April 1st, 2006, will see absolutely no change. However, the whole income security policy is under review and we expect by sometime later this year to come forward to the Legislative Assembly with some changes that are proposed to the policy. It would be premature, at this point, to say what those changes might be, or where the impacts might be.

CHAIRMAN (Mr. Ramsay): Thank you, Minister Dent. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Then, Mr. Chairman, in view of people who are currently making decisions to, you know, sell their homes, forfeit their existing living accommodations to move into public housing units, which at this time are not costing them anything regardless of their income, would it not be fair on the part of the government to advise these people that perhaps there are changes coming, maybe the subsidy will become taxable income, maybe there will be a charge assessed for rent, those kinds of things that could be coming? Because people are making decisions based, right now, on free rent. I'm sure that's not a really hard decision to make in a lot of instances, but would it be fair and prudent to advise them of things potentially to come? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. I'll go to Minister Dent.

HON. CHARLES DENT: Thank you, Mr. Chairman. There's been no secret that Education, Culture and Employment has embarked on a review of income security programs. I made statements on that in the last session. We have been very upfront about it. We have a process of consultation that's taking place all across the Northwest Territories right now. In that whole process, we're reviewing all of our income security programs. So it's not just one program; it's all of them. We haven't got any plans yet for changes. What we're doing is looking at them, talking to people, asking for advice as to where people think we should be going with our programs, and

then we'll come back and discuss with Members, in particular of the Standing Committee on Social Programs, but all Members, any proposed changes. We don't expect it will be in a process where changes are going to happen very quickly. This sort of initiative takes some time to make sure that you've got it right and then to implement correctly, as well.

CHAIRMAN (Mr. Ramsay): Thank you, Minister Dent. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. On the subject that was raised with respect to the rent supplement contracts, some negotiated, some 20 years in length to encourage private sector involvement in providing public housing, some at rates that are higher than market rate in market communities, the Minister said he would look at those in terms of some of them having five-year terms. Some of them were set up as four, five-year terms, that I do know. Now the Minister said he's going to go back and assess and see if there is a way of perhaps signing off on some of those contracts. I know it's difficult because, obviously, they were provided as public housing and there are people occupying them, but if enough advanced warning is provided, maybe alternatives to these higher costs could be provided. So my question is, he says he's going to assess them, he's going to look at the terms and conditions of them and see if there's a way of just measuring whether we're getting value for money on them. Could we reasonably expect that that assessment will be shared with Members of this Assembly prior to the end of February? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I will see about getting back to the Member with that information at the end of February, probably March, but I will make an attempt to look at these and see exactly which ones are up for review in five years or whatever, and also exactly what the costs associated with the terms of these are, and also the length of time that those leases are out there for.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, this is not the first time I've raised this issue and it's good to know that the Minister is now going to have a look at them and assess them. But I raised this issue with the Minister and his staff not so long ago. I want to know, since I raised it with them last time, have there been any renewals exercised for five-year terms? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: I couldn't answer the Member's question, but the last lease that we did enter into was in 1998, which was almost seven years ago.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mrs. Groenewegen.

MRS. GROENEWEGEN: The last lease entered into in 1998, Mr. Chairman, doesn't mean anything. Maybe there

was one entered into in 1995 that was for 20 years. We've all seen the chart. I mean, that's not the point when the last rent supp...I know rent supp was kind of the flavour of the day for a while, and of course there haven't been any just lately, but I'm talking about the ones that were entered into that were 20-year contracts based on five-year renewal periods. That's what I'm talking about. Have any of those five-year terms been signed on in the last two months? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, my understanding is that most of these leases are locked in for the term of the lease, but there is an escalation rate that is in there that we do based on the escalation rate that they are able to move on that, but my understanding is that these are locked in leases for the term of the lease. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. I've got Mr. Braden next. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. We were exchanging some views about the mandate of the Housing Corporation in my last turn, and there was a discussion about some of the commitments and the paperwork that's on record regarding the evolution of this project. Mr. Chairman, I pointed out at least one of several documents dating back to April of 2004, which outlined the work plan for doing this. If I recall the Minister's words, he said it was something I pulled out of my hat. It is not something I pulled out of my hat, Madam Chair. It is a document that the corporation circulated for committee to help us become familiar with what was going on. It was done under his watch. I wanted to put that on the record. Something that is essential to committee being able to do its business is to be able to rely on the paper trail, and the records of decision, and briefings that are presented to us.

Again, I don't want to get into a war of words, but this was not something that I pulled out of my hat. It is a very legitimate part of this issue. Where I would like to go with this, Madam Chair, is to find out what today is the status of the task of redefining the mandate of the NWT Housing Corporation. What is on the books now? What can committee expect and what can the public expect as far as at least being involved or having access to the redefinition of our Housing Corporation or, in broader terms, Madam Chair, what should this government be doing to satisfy its mandate and the needs of its people to supply adequate, safe and affordable housing?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, like I mentioned earlier, there has been a committee struck made up of people from the Department of Executive. Also we have people who are responsible for strategic planning, and my department will also be involved. We are trying to get a view for the public with regard to where we are going with our mandate, but, more importantly, get input from the stakeholders we have out there and also from the local housing authorities and also with regard to the people here in this Legislature to ensure that the mandate we have put forward is the right direction we are going and also realizing we will have to come back

to a standing committee. I am hoping, like I stated, that the committee will report back possibly at the end of May so we can have something ready to debate in the June session.

So that is the time frame we are looking at. Again, we are looking for input from the stakeholders that also includes the MLAs, the committees and the LHOs and the staff of the corporation with regard to where we are going. Again, there has been an independent committee struck. We were directed by the Premier to get out there and get this review done. Thank you.

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

MR. BRADEN: Thank you, Madam Chair. This new committee process, under whose direction is it operating and to what level will our government be reporting, Madam Chair?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. I will refer this question to the Premier.

CHAIRPERSON (Mrs. Groenewegen): To who? Oh, the Premier. Thank you. Mr. Premier.

HON. JOE HANDLEY: Madam Chair, the committee will be reporting to me as Premier.

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

MR. BRADEN: Thank you, Madam Chair. Does the Premier then concur with the information that the Minister has provided, that we should be anticipating something by this spring?

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

HON. JOE HANDLEY: Thank you, Madam Chair. The committee will be going out and getting input from all stakeholders in the Territories, including Members of this Legislative Assembly. The work of the committee is to be completed by May 15th. Thank you, Madam Chair.

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

MR. BRADEN: Okay. Thank you, Madam Chair. There has been discussion among other Members about the Novel housing proposal, and I think I share with every other Member an expectation, a hope, that this opportunity -- it's an extraordinary opportunity -- can become something that, indeed, we will be able to apply that will make a difference for our communities. It is exactly the kind of thing, Madam Chair, that we can and should expect as a legacy from the Mackenzie Valley pipeline and with that context, a fair amount of information has been circulated about it. It's still obviously, though, kind of finding its feet. Like some of the Members, I need to be satisfied on some of the business context and the business approach that we are taking this. I should also acknowledge, too, that the Minister has invited me as well to go to Calgary to see the factory, to see the product and talk to the ATCO folks. I haven't done that yet. I look forward to the opportunity to do that. The business

approach to this is really central to having a look at the product itself.

I think, if I recollect from a little while ago, the discussion Ms. Lee was having with regard to the contributions that were lined up for this and, indeed, correspondence from the Minister, which was tabled on February 1st, would indicate that there is very close to \$300 million suggested as the total financial picture that we could potentially be looking at.

I had written the Minister back in August of last year, Madam Chair, with a number of questions related to the project. One of them was in respect of the contributions that were outlined at the time. We were told that the Government of Canada was being prepared for a \$90 million one-time contribution; the Government of the Northwest Territories was in it for \$121 million; and, the Mackenzie gas project/ATCO was in it for a \$26 million involvement. The question I had at that time was, what's in it for ATCO? Why are they making a \$26 million contribution? There was a six-point response, Madam Chair. It covered a whole bunch of areas: to reduce socio-economic cost, to seek agreement with the GNWT for all structures to remain in the North, to develop a positive position with impacted communities, to quicken the regulatory approval of the project, to secure a GNWT socio-economic agreement prior to regulatory board hearings. There was a vested interest in here by the MPG and ATCO to make a contribution to this. But in the discussion that I hear now, and this is what I wanted to confirm and I would like to double check this, ATCO is not making a contribution? They are in this for the money now. All of these quite more social and philanthropic agendas aren't on the table anymore? Just what is the nature of the contribution that is anticipated, or had been anticipated at least last August, from ATCO, Madam Chair?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, a lot has changed since last August. We have to admit that there has been a change from the federal government. We are looking at allocating funding at the front end, but the decision was made to fund it at the back end, which changed the amounts we were going to receive from the federal government. With regard to the negotiations or the meetings that have been held between Fred and his people and people in CMHC and ATCO, we were able to bring down the cost of a lot of these units and be able to not have to expend as much money at the back end to do the conversions. With regard to the decision of waiving the premium, which is \$29 million that's been talked about, by waiving that, once we do the purchase at the back end, those are still open for negotiations. We still have to negotiate a price over the product once the project is... (inaudible)... Because those negotiations are still going on, we aren't going to state what the outcome price is, but we made it clear to the proponents that there is an area we are looking at. It's in the area of a little over \$100,000 per unit. That's where we want to stay. If there is any price change, we will not be part of those negotiations.

Also, through the socio-economic arrangements, those negotiations are ongoing through the regulatory process. We are working with the parties at the table to find a way where we can have a win/win situation. In order for everyone to win on this one, we have to have a product

that everybody feels comfortable with, not only at the front end but at the back end, such as residents of the communities, CHMC and ourselves. At the end of the day, it has to meet the requirements we are asking for at the front end. Again, we are still in negotiations until we nail down that actual price, and the price has to come in at a certain set amount. We have put those calls out that we will not go into this thing if it is going to cost us more than we are already investing. It's the same with CMHC. They will not take a product that does not meet CMHC standards. So they have to meet that standard, too. There are these demands out there and we are still in negotiations.

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

MR. POKIAK: Thank you, Madam Chair. At this time, I would like to request that we report progress and continue tomorrow. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Pokiak. I take that as a motion. The motion is in order. It's not debatable. All those in favour? All those opposed? The motion is carried.

---Carried

I will now rise and report progress.

MR. SPEAKER: Can I have the report of Committee of the Whole? Mrs. Groenewegen.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 18, Appropriation Act, 2006-2007, and Committee Report 7-15(4) and would like to report progress and, Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Is there a seconder to the motion? The honourable Member for Inuvik Twin Lakes, Mr. McLeod. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. The honourable Minister responsible for Finance, Mr. Roland.

ITEM 21: THIRD READING OF BILLS

Bill 13: An Act To Amend The Financial Administration Act

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Weledeh, that Bill 13, An Act to Amend the Financial Administration Act, be read for the third time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. The motion is on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question is being called. All those in favour? All those opposed? The motion is carried.

---Carried

Bill 13 has had third reading. Third reading of bills. The honourable Minister responsible for Transportation, Mr. McLeod.

Bill 14: Public Airports Act

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Yellowknife South, that Bill 14, Public Airports Act, be read for the third time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. The motion is on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question is being called. All those in favour? All those opposed? The motion is carried.

---Carried

Bill 14 has had third reading. 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 Tuesday, February 7, 2006, at 11:00 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 Budget Address
10. Petitions
11. Reports of Committees on the Review of Bills
12. Tabling of Documents
13. Notices of Motion
14. Notices of Motion for First Reading of Bills
15. First Reading of Bills
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters

- Committee Report 5-15(4), Standing Committee on Accountability and Oversight Report on the 2006-2007 Pre-Budget Review Process

- Committee Report 6-15(4), Standing Committee on Governance and Economic Development Report on the 2006-2007 Pre-Budget Review Process

- Committee Report 7-15(4), Standing Committee on Social Programs Report on the 2006-2007 Pre-Budget Review Process

- Bill 18, Appropriation Act, 2006-2007

18. Report of Committee of the Whole

19. Third Reading of Bills

20. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Tuesday, February 7, 2006, at 11:00 a.m.

---ADJOURNMENT

The House adjourned at 17:58 p.m.

