



15th Legislative Assembly of the Northwest Territories

Standing Committee on Accountability and Oversight

Final Progress Report on
Priorities and Objectives

Chair: Mr. Jackson Lafferty

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Northwest
Territories

Legislative Assembly

Standing Committee on Accountability and Oversight

March 9, 2007

SPEAKER OF THE LEGISLATIVE ASSEMBLY

Mr. Speaker:

Your Standing Committee on Accountability and Oversight is pleased to provide its Final Progress Report on Priorities and Objectives and commends it to the House.

A handwritten signature in black ink, appearing to read 'J. Lafferty', enclosed within a circular scribble.

Jackson Lafferty, MLA
Chairperson

STANDING COMMITTEE ON ACCOUNTABILITY AND OVERSIGHT

FINAL PROGRESS REPORT ON PRIORITIES AND OBJECTIVES

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STANDING COMMITTEE ON ACCOUNTABILITY AND OVERSIGHT

FINAL PROGRESS REPORT ON PRIORITIES AND OBJECTIVES

INTRODUCTION

In April 2004, soon after the beginning of the 15th Legislative Assembly's term of office, the Standing Committee on Accountability and Oversight set its priorities and objectives. These plans were shared with our colleagues and the public in our first Report on Priorities and Objectives on June 1, 2004. The Committee followed with progress reports in June 2005 and June 2006.

This will be our final progress report. It is our intention to also present a transition report later this year in order to highlight those areas we believe will require the continued attention of our successor Committee in the 16th Assembly.

BACKGROUND

The Standing Committee on Accountability and Oversight includes all eleven Regular Members. Its mandate as set out in the *Rules of the Legislative Assembly* is to:

1. Review issues which have government-wide implications, including the overview of the budget and fiscal framework;
2. Review multi-year business plans, budgets and Bills of the Department of the Executive, including the Executive Offices, the Financial Management Board Secretariat, the Ministry of Aboriginal Affairs and Intergovernmental Relations, and the Department of Human Resources, as well as the Department of Finance;
3. Consider the budgets and financial management of any other boards and agencies that are outside the responsibility of any standing committee;
4. Examine the reports on the annual financial statements and public accounts of the Government of the Northwest Territories and the report of the Auditor General;
5. Review government reports on financial and performance results on program and policy evaluations to ensure anticipated outcomes are being achieved and accountability is maximized;
6. Review, as necessary or appropriate, the annual and other reports of statutory offices of the Legislative Assembly, including the

7. Commissioner of Official Languages, the Conflict of Interest Commissioner, the Information and Privacy Commissioner, the Equal Pay Commissioner and the Human Rights Commissioner;
8. Coordinate House business, scheduling and planning in cooperation with appropriate Cabinet representatives; and,
9. Consider any other matters referred by the House.

The Vision adopted by the Committee in April 2004 is:

A strong, effective consensus government that has the confidence of the people of the NWT.

Our Mission is:

To take purposeful and unified action, where appropriate, to support, question or oppose government initiatives and to hold government accountable. We will also use our collective power to influence government to take action and/or to change its policies when in the public interest.

PROGRESS ON COMMITTEE PRIORITIES

As we stated in our June 2004 Report on Priorities and Objectives, our key priority is:

Holding government accountable to our collective 15th Assembly vision and goals

The Standing Committee accomplishes this through a number of regular activities, and in particular the annual review of the Government's draft business plans. In the fall of 2005, the Committee implemented the first ever pre-budget consultations, which added a new aspect to the Committee's role and allowed it to exercise its mandate in a way the public could see and participate in. The Committee held a second round of pre-budget consultations in the fall of 2006, bringing the total number of communities visited to 16.

The Committee also holds government accountable through its input on policy, program and legislative initiatives, by organizing theme days on various topics and formal motions in the Assembly directing the Government to take specific actions.

The Committee continues to see our constitutional evolution and the negotiation of a fair devolution and resource revenue sharing deal for our Territory, as key to

achieving our collective vision that the people of the Northwest Territories should be the primary beneficiaries of the development of our resources.

In this context, the Committee initiated a motion, carried on October 25, 2006, strongly recommending that the Government of Canada, the Government of the Northwest Territories, and Northwest Territories Aboriginal Governments reach a fair and equitable devolution and resource revenue sharing agreement in principle before the next federal budget. It further called on all northern leaders to set aside their differences and work together for the sake of future generations to achieve an agreement that will stop the flood of resource revenues leaving the Northwest Territories.

Consensus Protocols

The work of standing committees is essential to the performance of all parliamentary governments. In the NWT's consensus style, the minority Government and the majority Committee must work together to achieve good government. The public's expectation is that all Members will work collegially and constructively, and in large measure, the NWT's consensus Assemblies of the past 30 years have satisfied this expectation.

Trust and transparency are vital in the communications and relations between the government and committees. Our Assembly has developed conventions, protocols and some rules that guide us. However, when these are not followed, the ability of committees to do their jobs is compromised.

In the course of its work in the 15th Assembly, the Standing Committee on Accountability and Oversight has observed that on several occasions, Ministers and the Premier have ignored or avoided their responsibility to include committees in the development and/or announcement of various initiatives.

These have included:

- The relocation of the Territorial Treatment Centre from Yellowknife to Hay River
- The surprise announcement of the "letter of comfort" to the Mackenzie Gas Project parties
- The Mackenzie Gas Project Socio-economic Agreement
- The disbanding of the Diamond Strategy Group
- The development of the Housing Corporation Mandate
- Appointments to key boards such as the NWT Power Corporation
- Planning for allocation of the \$35 million Community Capacity Fund

Ministers have repeatedly been asked by Members and Committee to adhere to the spirit and intent of consensus. In addition, the Committee forced Cabinet to

rewrite a directive of the Financial Administration Manual to tighten up the Government's requirement to consult on changes to capital projects.

The consequence of continuing to selectively ignore or avoid Committees and Members is that trust and confidence among MLAs is lost, and the integrity of the Assembly is eroded.

The Committee's vision is: "A strong, effective consensus government that has the confidence of the people of the NWT." The public's confidence in our government can only be assured if Cabinet and the Committee honour the protocols required of our consensus approach.

The following summarizes progress on our other priorities:

Human Resources

Effective April 1, 2006, a new Department of Human Resources was created, with the Committee's support. The Committee will continue to monitor the new Department closely to ensure that it does result in a more efficient and responsive system of staffing and developing our government workforce.

The Committee is disappointed that the re-examination of the Affirmative Action Policy remains outstanding. The Committee has recommended that the Government release a public discussion paper and/or draft policy before the end of the 15th Assembly to give the next Assembly a head start on this important issue.

A Review of All GNWT Boards and Agencies

An early objective of the 15th Assembly was better coordination of the government's 112 assorted boards and agencies. A Joint Cabinet/AOC Working Group concluded its mandate and advanced a great deal of work on data gathering and preparing a new Governance Framework for Boards and Agencies, including a policy on boards and agencies. Further progress on this initiative stalled because the Government chose not to allocate the recommended resources.

A Review of the Operations and Mandate of the NWT Housing Corporation, Including the Rent Scales for Social Housing

Committee Members have raised a number of serious concerns with the NWT Housing Corporation to which we have not received satisfactory responses from

the Minister and Government. This led us to bring forward a formal motion on March 2, 2006 requesting a performance audit of the Corporation by the Auditor General of Canada. The Committee expects to see the audit report before the end of our term.

The Standing Committee on Social Programs is continuing to address critical policy and operational issues, such as the rent scales for social housing, improving the condition of existing housing stock, and proposed involvement with the Mackenzie Gas Project/Novell Housing Opportunity.

An Operational Review of the Workers' Compensation Board and Completion of the Amendments to the Legislation

The Auditor General's report on the performance audit of the Workers' Compensation Board was tabled in June 2006. The Committee held three full days and one evening of public hearings on the audit, and presented its report, including eight substantive recommendations, in October 2006.

The Committee looks forward to the introduction and consideration of a new *Workers' Compensation Act* in the near future, and to working with the Nunavut Legislature on concurrent passage.

Consideration of New Legislation to Protect Whistleblowers

Committee Members continue to believe consideration of such legislation is needed because of increased accountability expectations of government. Consequently, there is need to shield those who expose or challenge breaches of conduct or impropriety in government. The Committee has repeatedly asked the current Government to start the consultation process by releasing a public discussion paper on whistleblower legislation.

Review of the *Liquor Act*

This was another early objective of the 15th Assembly, and is an issue that has eluded several previous Assemblies. The Committee looks forward to introduction and consideration of a new *Liquor Act* later this year.

Reduction of the Infrastructure Deficit

Years of fiscal restraint have left the NWT seriously behind in renewing and expanding our system of housing, roads, buildings, technology and other public

infrastructure. Many communities are lacking facilities, while many existing public buildings are in serious disrepair. The Committee has looked into capital investment needs at all levels and is pleased to see the amount of both GNWT resources and new federal funding directed to capital projects during the 15th Assembly. Housing, community infrastructure, specialized medical facilities such as dementia care, and modern court facilities remain high priorities.

Support for Frontline Organizations

During its 2005 and 2006 pre-budget consultations, the Committee received presentations from frontline organizations in several communities raising concerns about the level of support they are receiving from Government. Staffing is an especially acute problem for non-governmental organizations and will rise to crisis level if they continue to lack the resources to offer competitive wages and benefits in order to recruit and retain qualified staff.

The Committee understands that the Government is developing and implementing new funding criteria and approaches for frontline organizations. Given the urgency of the situation, we believe the Government needs to move faster, and we will continue to push for them to do so.

Energy and Cost of Living

Although northerners have long struggled with a high cost of living, we saw the pressure on residents, businesses, organizations and government increase substantially during the 15th Assembly, as energy prices continued their dramatic climb.

Not surprisingly, the cost of living was one of the most frequently mentioned topics during our 2005 pre-budget consultations. At our request, the Government provided detailed presentations on energy and cost of living measures to the Committee in public meetings in late 2005 and early 2006. We made the cost of living the theme of our 2006 pre-budget consultations. Our report on those consultations, presented in October 2006, included a specific recommendation for the GNWT to bring forward a proposal for an Energy Efficiency Loan Program to provide interest-free loans to assist homeowners to finance upgrades that will reduce their energy consumption costs.

We look forward to the Government's response to our recommendation for an Energy Efficiency Loan Program, and to seeing the results of the Government's continued work on an Energy Strategy and the cost of living.

Northern Residents' Tax Deduction

The Committee supported a motion, carried on February 9, 2006, calling for the Premier and Minister of Finance to begin working with their counterparts to lobby the federal government to increase the Northern Residents' Tax Deduction, and to index it annually in the future to keep pace with the cost of living. The Committee continues to support this concept and urges the Premier and Finance Minister to pursue it with their federal and provincial counterparts.

- ***Residential Tenancies Act Review***
- **Increased Investment in Early Childhood Development Programs**
- **Increased Programming for Drug and Alcohol Addictions Rehabilitation and Treatment**
- **Adequate Resources for Transition Houses for Victims of Domestic Violence**

These priorities will be pursued by the Standing Committee on Social Programs.

- **Analysis of Business Incentive Policy**
- **Construction of an All-Weather Road Between Tuktoyaktuk and Inuvik**
- **Improvements to the Land Transfer Process**

These priorities will be pursued by the Standing Committee on Governance and Economic Development.

OTHER ACTIVITIES

Over the course of the last year, the Standing Committee has continued to move its priorities forward through "theme days". A theme day is when Regular Members decide to collectively focus on a particular issue in the House through Members' Statements, Oral Questions, and/or debate on Motions. This provides an opportunity to raise the profile of a given issue with the Government and with the public.

A Motion during the formal Session of the Legislative Assembly is a proposal for the Assembly to do something, order something to be done or express an opinion on an issue that is presented to the Assembly for a decision. Following the introduction of the motion there is an opportunity to debate it, and then a vote.

In addition to the Motions mentioned in earlier sections of this Report, the Committee supported the following:

Designated Budget for Art in GNWT Buildings

This motion, carried on June 5, 2006, called on the GNWT to establish a policy by April 1, 2007, requiring it to spend the equivalent of up to one percent of the budget of each new GNWT building or major renovation on northern art to be displayed or integrated into the design of that building.

Restoration of Funding for Federal Programs

This motion, carried on October 31, 2006 recommended the GNWT convey to the Federal Government its strong objection to the recent cuts to literacy and other programs in the NWT, and to any further cuts to federal programs in the NWT in advance of a resource revenue sharing agreement.

Reducing Maximum Percentage of Income Chargeable for Social Housing

This motion, carried on October 31, 2006, recommended reductions to the maximum percentage of income that can be charged as rent for social housing, a reexamination of rental rates for units in poor condition, and a review of the policy of free rent for all seniors. It also recommended improvements in how the homeownership program is designed and explained to potential clients. Finally, the motion recommended the Department of Justice consider expanding the presence of the Rental Office in the regions.

Transfer of Responsibility for Social Housing

This motion, carried on November 1, 2006, recommended that the responsibility for the administration of social housing be returned to the NWT Housing Corporation, with the Department of Education, Culture and Employment retaining the responsibility for setting social housing subsidies.

Support for Victims of Sexual Abuse

This motion, carried on November 1, 2006, recommended that the GNWT bring forward a policy on how it will handle allegations of sexual abuse consistent with zero-tolerance toward violence, and showing support to survivors. It further recommended that the Government bring forward proposals to address gaps in assistance and services for survivors of sexual abuse, and develop a mandatory training program for frontline workers who assist survivors of sexual abuse.

Health Care Professionals

This motion, carried on November 2, 2006, recommended that the GNWT re-examine the pay, benefits and working conditions of its full-time health care professionals to ensure equitable treatment as compared with temporary contract workers, and continue to focus efforts on developing an NWT-based pool of locum health care professionals.

CONCLUSION

Before dissolution of this Assembly, the Committee still hopes to see significant progress on devolution, resource revenue sharing and formula financing, as well as the completion of several important initiatives, including new liquor and workers' compensation legislation. In the meantime, the Committee will strive to deliver on its key role: holding government accountable.



