



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

5th Session

Day 38

17th Assembly

HANSARD

Friday, October 17, 2014

Pages 4771 – 4804

The Honourable Jackie Jacobson, Speaker

Legislative Assembly of the Northwest Territories

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YELLOWKNIFE, NORTHWEST TERRITORIES**Friday, October 17, 2014****Members Present**

Hon. Glen Abernethy, Hon. Tom Beaulieu, Ms. Bisaro, Mr. Blake, Mr. Bouchard, Mr. Bromley, Mr. Dolynny, Mrs. Groenewegen, Mr. Hawkins, Hon. Jackie Jacobson, Hon. Jackson Lafferty, Hon. Bob McLeod, Hon. Robert McLeod, Mr. Menicoche, Hon. Michael Miltenberger, Mr. Moses, Mr. Nadli

The House met at 10:01 a.m.

Prayer

--Prayer

SPEAKER (Hon. Jackie Jacobson): Good morning, colleagues. Item 2, Ministers' statements. The honourable Minister of Finance, Mr. Miltenberger.

Ministers' Statements

MINISTER'S STATEMENT 91-17(5):
OCTOBER 2014 SESSION FISCAL UPDATE

HON. MICHAEL MILTENBERGER: Mr. Speaker, I want to take this opportunity to update Members and the public on our fiscal situation and discuss the ways we are addressing our challenges during the remaining life of this Assembly.

To date, 2014-15 has included a number of fiscal challenges. The most severe fire season in NWT history has cost \$55 million, or 3 percent of this year's budget. A record 64-year low water levels at Snare Hydro required the government to intervene with a \$20 million contribution to the NWT Power Corporation to ensure higher electricity costs of 13 percent are not passed on to NWT residents and businesses. On the revenue side, total gross revenues forecast for the next number of years are expected to grow at less than 1 percent annually. Resource revenues are expected to be slightly lower than originally estimated last December, averaging approximately \$113 million annually over the next five years, down from \$120 million annually, and they are extremely volatile in that the expected revenue stream could fluctuate by as much \$30 million from the expected annual average. Resource revenues are also finite in the sense that we cannot rely on receiving them from the same sources forever. These two facts are the reason why this government has decided to not include resource revenues in our operations and maintenance budget to fund programs and services.

The Government of the Northwest Territories (GNWT) will only use resource revenues to fund infrastructure, pay down debt and invest in the NWT Heritage Fund.

As a government we will remain fiscally vigilant because average annual revenue growth over the next five years is expected to be significantly lower than historical growth rates. The fiscal reality is that we depend on the Territorial Formula Financing Grant to provide the majority of our revenues. Over the next five years, the grant is projected to grow about 2 percent annually due to a declining NWT population and reduced provincial and local government spending as provinces attempt to balance their budgets.

Next week I will be tabling the GNWT Public Accounts for the 2013-2014 fiscal year. The annual report from the Office of the Auditor General (OAG) on the Public Accounts is positive overall, a clean opinion, noting significant progress by GNWT over prior years. One such indicator of progress is the OAG cost of the audit has decreased approximately 20 percent from the prior year, which is a decrease from \$929,000 to \$756,000. This is mainly due to the fact that there were fewer errors and audit issues noted during the course of the audit, which resulted in improved efficiencies on the part of both GNWT management and the OAG audit team. Additionally, the GNWT has managed to shorten the public account time frames by continuously improving reporting and quality over the last three fiscal years. As the 17th Assembly prepares its final budget, the fiscal objective remains the same: hold the line on expenditure growth to allow us to make the investments necessary to protect our infrastructure and grow the economy. The achievements of this objective are reflected in the 2015-16 Capital Estimates tabled in the Legislative Assembly yesterday. Including the proposed housing investment, the total planned infrastructure investment in 2015-16 will be \$314 million.

Being fiscally vigilant also means returning to a reduced capital plan after the 2015-16 Capital Estimates. This reduction will be difficult given the government's current infrastructure deficit, the contribution public infrastructure spending makes to local economies and the fact that we need critical infrastructure to grow our economy.

NWT economic activity is only three-quarters of what it was eight years ago because resource production is declining and business capital investment is significantly lower. The lower levels of

economic activity are one important reason why the NWT population is declining.

We are attempting to grow the NWT economy through a number of strategies that complement each other. As announced in this year's budget, our target is to increase the NWT population by 2,000 people over the next five years, and we are taking steps to grow the NWT economy through important initiatives such as Industry, Tourism and Investment's Economic Opportunities Strategy and Mineral Development Strategy and Education and Culture and Employment's work to attract skilled immigrant workers along with providing training opportunities for NWT residents to take the jobs here in the NWT.

A robust economy combined with an increased population is key to our fiscal sustainability. The NWT population has not increased significantly since 2004 when the NWT was experiencing very strong economic growth while the rest of Canada was not. The NWT is competing with booming economies, especially in Western Canada. The Department of Human Resources is continuing to take steps to improve our internal recruitment and retention actions, and through Industry, Tourism and Investment's Come Make Your Mark program, we are working with the private sector to support their recruitment and retention efforts. On October 8, 2014, I met the senior management of NWT's three operating diamond mines, the NWT Chamber of Mines and the NWT Chamber of Commerce to continue our discussion on labour market challenges faced by the private sector, particularly the mining industry, and in doing so we are gaining a better understanding about what companies are doing to encourage more NWT resident labour and how the GNWT can work with the companies to make their actions in this regard more successful.

These economic development strategies will depend on transformational investments such as the Mackenzie Valley Fibre Optic Link, the Mackenzie Valley Highway and addressing our energy challenges. We need to focus on these strategic investments, and other investments, to lower costs for residents and businesses and open corridors to previously inaccessible markets and resources.

Funding these strategic investments require operating surpluses. Given the medium-term revenue outlook, these operating surpluses will only be achieved through making choices about what programs we fund and how much we fund them.

With respect to energy costs, we know that the GNWT cannot sustain its investment in subsidizing power rates. Since the beginning of the 17th Assembly, our government has provided \$58 million in subsidies in order to shield NWT residents and businesses from ever-increasing electrical costs.

As you heard from the Premier yesterday, this level of subsidy cannot continue and the GNWT will be holding a second Energy Charrette November 3rd and 4th in Yellowknife where people from across the NWT will be invited to discuss their ideas on how best to address our energy challenges.

Going forward, the next Assembly will face the same difficult challenges we are currently addressing. That is why we will use the last annual public budget tour for the 17th Legislative Assembly this fall to discuss the GNWT fiscal situation, fiscal objectives and strategy with NWT residents. The information and feedback we collect will be a key piece in the transition to the 18th Legislative Assembly.

Since the first budget of this Assembly, we have successfully worked to maintain a stable fiscal environment while managing the fiscal risks of the many things outside of our control. Our prudent management of expenditure growth has meant that we have achieved the fiscal targets that permitted increased infrastructure investments for 2014-15 and 2015-16. Our commitment to fiscal discipline gives us the assurance that we will have the fiscal flexibility to address our challenges as they arise. Thank you, Mr. Speaker.

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

MINISTER'S STATEMENT 92-17(5):
MED-RESPONSE

HON. GLEN ABERNETHY: Mr. Speaker, I am pleased to provide this House with an update on the Med-Response system.

Med-Response is the first program of its kind in Canada – or anywhere else, as far as we know. Other jurisdictions have call centres to coordinate air ambulance triage and dispatch, or call centres to provide clinical consultation, but Med-Response is breaking new ground by combining these functions into one operation.

Mr. Speaker, Med-Response has the potential to transform how we provide care to patients who are injured or critically ill. Today we have a patchwork of protocols and processes that govern how we deal with urgent situations in communities outside Yellowknife. When a community health nurse wants to arrange an air ambulance, he or she may have to make five or six phone calls. They have to contact a regional nurse in charge, a medical director, the medical travel office and possibly other clinical experts. They do all this while trying to care for a patient who may well need urgent attention. They can be on hold for minutes or even an hour waiting to speak to a physician.

Med-Response will change all that. There will be one dedicated 1-800 number for all health care

workers to call when they need an air ambulance or when they need advice or consultation that is beyond the capacity of local expertise. When a call is received, an emergency medical coordinator will immediately assess the urgency of the patient's condition and then take the appropriate action. That might include getting a dispatcher to start arranging a medevac, or patching in an ER physician or specialist to provide advice and support. Both these things can happen at once. The phone system provides for up to nine callers to be involved, so that everyone with a role to play understands what is happening in real time.

Another benefit of Med-Response is that it provides an immediate support for new staff, casual staff and locum staff that may be dealing with an emergency situation but not be familiar with our system. In some cases, having immediate access to specialized clinical support may help to avoid having to medevac a patient.

Because all calls will be recorded, Med-Response will introduce a new level of quality assurance into our system. The data tracking capacity will allow us to monitor air ambulance usage and regional patterns, providing the basis for future program improvement.

I have heard concerns about the delayed implementation of this innovative system, but it's more important to do it right than to do it right now. The team at Stanton Territorial Hospital is in place and has been working through looking at programs in other jurisdictions, customizing the phone system and dispatch software, training staff and developing operating procedures. We are now getting into the final stages of implementation, which involve reaching out to practitioners in every region to ensure that systems are thorough and accurate and that nothing has been forgotten in the design.

In the very near future, the team will kick off two weeks of intensive scenario testing as the final step before the system goes live early in the new calendar year.

Later today I will recognize in the gallery the dedicated team of professionals who are working to make Med-Response realize its potential. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Abernethy. Honourable Premier, Mr. McLeod.

MINISTER'S STATEMENT 93-17(5):
LAUNCH OF THE UNITED WAY
NORTHWEST TERRITORIES
GOVERNMENT OF THE NORTHWEST
TERRITORIES WORKPLACE CAMPAIGN

HON. BOB MCLEOD: Mr. Speaker, investing in the health and well-being of our people and our communities and building prosperity in the Northwest Territories is at the heart of this

Assembly's priorities, but it is not our priority alone. These goals are shared by many non-governmental organizations in our territory, by our citizens and by our employees.

The United Way NWT is one such organization and I am pleased today to stand as the United Way's NWT Government of the Northwest Territories Workplace Campaign honorary chair to announce the kick-off of this year's staff payroll campaign.

Mr. Speaker, the United Way NWT began about 14 years ago as United Way Yellowknife but has expanded to provide support across the territory. Over the past three years, more than \$180,000 was allocated to various charities across the Northwest Territories.

Like this Assembly, the United Way NWT is committed to building strong and healthy communities through their three areas of focus:

- From poverty to possibility – moving people out of poverty and meeting basic human needs.
- All that kids can be – improving access to early childhood and development learning programs, helping kids to do well and complete high school and supporting the healthy transition into adulthood and post-secondary education.
- Healthy people, strong communities – improving access to social and health-related support services, supporting resident and community engagement and supporting community integration and settlement.

Each year the Government of the Northwest Territories has a month-long United Way Workplace Campaign. During this month, employees and Members of the Legislative Assembly and Ministers can sign up for payroll deductions and hold fundraising events. Payroll deductions are an easy way to support the United Way and other registered non-profit organizations that are based in and focused on the Northwest Territories. A few dollars off each paycheque will go a long way towards supporting non-profits and probably will not even be missed. I challenge all my colleagues here in the Assembly who do not already participate to sign up.

This is the 12th year of the Government of the Northwest Territories Workplace Campaign. Many Members of this Assembly are donors or volunteers and our Government of the Northwest Territories staff have been generous contributors to the United Way. This year, Mr. Speaker, through the Workplace Campaign, we hope to increase the number of Government of the Northwest Territories staff who currently donate by payroll deduction to 10 percent of our employees. This would be a tremendous boost to the community and territorial organizations that United Way NWT supports.

I have said many times before that Northerners need to work together to create the kind of strong,

prosperous and environmentally sustainable territory that we want. The United Way NWT has taken up that challenge and is an important partner with us in supporting beneficial programs and services across the Northwest Territories. The Government of the Northwest Territories payroll campaign begins today and will end on November 21st.

I understand departmental coordinators are organizing events that will occur throughout the month and that deputy ministers are leading a government-wide interdepartmental challenge that will feature a number of friendly fundraising events.

I want to thank the United Way NWT and its volunteer chair, Tracy St. Denis of Industry, Tourism and Investment, our Government of the Northwest Territories Workplace Campaign departmental coordinators and all the staff that are donating and signing up for payroll deductions. Your efforts make a real difference in the lives of our fellow Northerners, and I am very proud to be your honorary chair. Thank you, Mr. Speaker.

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

Members' Statements

MEMBER'S STATEMENT ON HAY RIVER SKATE PARK

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I would like to congratulate the Town of Hay River on opening a new skate park this past August, one month before the town's BMX and skateboarding competition. Mr. Speaker, this may not seem like a big thing, but I've got to tell you it's something we talked about in Hay River for many, many years, so it was great to see it come to fruition.

Residents of Hay River have worked long and hard to build a bigger and better skate park for the community. Skate parks are a great way to keep youth healthy and engaged in outdoor, unstructured play. They can hone their skills and compete with other stunt artists in a safe, specially designated public area to practice their skills whenever they have free time.

Hay River's skate park was designed with expertise from the Canadian Ramp Company, which recently finished work on the largest steel ramp park in Atlantic Canada.

Complete with rails, ramps and jumps, the skate park was host to the Hay River's 4th Annual X-Games on September 13th, open to participants from across the territory to show off their tail whip, board slides, 360s and other tricks on two and four wheels.

This skate park is not only a valuable asset for youth across the NWT but a testament to what a group of dedicated, community-minded volunteers can accomplish. I especially want to recognize the hard work of the Hay River BMX Skate Park Committee that went above and beyond to bring this facility to life.

Volunteers spent the summer stripping copper off of waste wire donated by Diavik and selling it for profit. The committee also entered a contribution agreement with the Town of Hay River to raise funds for the skate park. They can be proud of what their hard work has achieved. The skate park has had lots of use before the snow started to fly this week and will be used for many seasons to come.

I'd like to thank all of the volunteers who made this year's X-Games possible and once again commend the determination and community spirit that made this skate park a reality. I encourage the young people of Hay River to enjoy this new facility and not forget to wear their helmets. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The Member for Range Lake, Mr. Dolynny.

MEMBER'S STATEMENT ON DEBT MANAGEMENT POLICY

MR. DOLYNNY: Thank you, Mr. Speaker. For years we've been hearing about our sound fiscal strategy of surpluses, paying down our short-term debt and maintaining a \$100 million cushion to our current \$800 million borrowing limit. Yet for years there have been a number of pressures that have negatively impacted this fiscal framework. Such things as the personal and corporate income tax estimates for the 2014-15 season that created more than a \$30 million void in tax revenues. Plus if you add on top of this fiscal pressure such things as the recent fire seasons of approximately \$55 million and last week's \$20 million NTPC low water rate rider offset, and of course ongoing items such as the Inuvik-Tuk highway, that's \$300 million, Stanton Hospital at \$400 million, the Mackenzie Valley Fibre Link Project at around \$80 million, the replacement of our fire suppression air fleet, which is price unknown at this time, continued pressures of our health and social services programs and more than \$3 billion of infrastructure deficit, one has to truly wonder: where is the Finance department hiding this pot of gold?

Clearly, there is no pot of gold, yet this administration feels justified in spending us into a corner at every opportunity while we struggle to pay off our public Visa and MasterCard payments. But fret not, because although we hit the wall of worry some time ago, apparently all we have to do is fill out the Joe Oliver American Express Card application form and presto, we're back inking those cheques.

Unfortunately, this is not the way to deal with debt management or insult the intelligence of the taxpayer. So how does this administration keep this incredible debt wall secret from escaping? What Jedi mind tricks are fogging the truth about our financial health?

Admittedly, over the years we are drilled repeatedly how our disciplined spending has produced better than average results and fiscal responsibility. On other occasions they toss around such terms as Moody's ratings, debt to revenue or debt servicing matrix; all too impressive results by design, but by whose design? The Department of Finance? The Minister himself? Has anyone stopped to evaluate exactly what financial bill of goods the people have been getting?

Clearly, when this government talks about debt, they are focusing primarily on direct debt. However, this mirror approach misses a large portion of total government liability.

I seek unanimous consent to conclude my statement.

---Unanimous consent granted

MR. DOLYNNY: We fail to look at the complete picture of the state of this government's debt load and must not only consider direct debt but also debt guarantees, contingent liabilities, contractual commitments and unplanned program obligations. Sadly, while most jurisdictions in North America are looking at ways of debt reduction or enacting laws for expenditure, this administration has been doing the exact opposite and is spending each and every one of us into a corner. The people deserve answers.

So, with the Finance Minister's budget dialogues coming to a community near you, I challenge the people of the NWT to filter through this Department of Finance magic show and to please, please ask the tough questions, because ensuring our future starts with you knowing the truth. Thank you.

MR. SPEAKER: Thank you, Mr. Dolynny. The Member for Hay River North, Mr. Bouchard.

MEMBER'S STATEMENT ON ADDRESSING THE HIGH COST OF LIVING IN THE NWT

MR. BOUCHARD: Thank you, Mr. Speaker. As you all know, the residents of the Northwest Territories this summer hit a wall, the wall of cost of living. They're concerned with the rising cost of living in the Northwest Territories.

It saddened me this summer to hear a lot of long-term Northerners talking about leaving the Northwest Territories because of the cost of living. The low water rates and the potential 13 percent increase in the cost of power was one of those things that basically hit the wall and they said, that's

it, we have a crisis, we need to leave, we're talking about leaving.

Yesterday the Premier announced, and last month they announced, that they were going to pay the \$20 million to eliminate that 13 percent. But that's only a quick fix.

Yesterday the Premier talked about an Energy Charrette, and we need to look at that energy cost because that's one of the biggest factors. We need to look at alternative energies, biomass options, conservation of energy as well as the natural gas and LNG options out there for us in the Northwest Territories to lower the cost of living for the taxpayers.

But energy is only one situation. We need to look at our taxation. Our Cabinet wants to talk about increasing the population by 2,000 people over the next few years. It used to be that people came to the Northwest Territories as an opportunity. But the problem is that the cost of living is rising and the cost of taxation is rising, so the money that they're taking home is decreasing.

We need to talk to the federal government about increasing northern residency deductions. We need to look at other options for taxation. We need to lower the cost of gas. We need to lower personal taxes. We need to lower small business taxes. The NWT needs to be the place of opportunity again. We need to take action on the cost of living in the Northwest Territories. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bouchard. Member for Deh Cho, Mr. Nadli.

MEMBER'S STATEMENT ON DOG CONTROL IN SMALL COMMUNITIES

MR. NADLI: Mahsi, Mr. Speaker. Unbeknown to newcomers to my riding, the sticks people carry are not broomsticks to fly upon; they are weapons to ward off dogs. Dogs running at large in the small communities are a major issue, and it's time that the current Dog Act showed some teeth. We need to step up enforcement to make our communities safer for both people and animals.

Dogs are an integral part of the northern lifestyle. Some people feel their homes are not complete without an iconic husky. Municipalities, no matter how small, need tools to manage dogs and enforce the bylaws and legislation created in everyone's best interests. We can't just throw the problem a bone and hope it will go away.

Like wolves, dogs left running loose form packs that are known to attack people and other animals. Compassionate people across the NWT are constantly rescuing stray, neglected and abused dogs and finding homes for them or sending them to the SPCA shelter in Yellowknife. But that only happens to the lucky ones. Many dogs die or live terrible lives of abuse and neglect.

We need to do more to enforce the Dog Act in remote communities and more to manage dogs in remote places. In the past, Sahtu communities, in partnership with veterinarian medicine programs in the South, put on clinics and public education workshops for responsible care of dogs.

I encourage MACA to work with Health and Social Services to bring spay and neuter clinics to small communities throughout the North. We need more public education on caring for dogs, what to do as you encounter aggressive dogs and where to report cases of abuse.

We say dogs are man's best friend, but they can be as much of a nuisance as any wild animal if they are not treated properly. We need to enforce legislation and enact bylaws to promote better dog control. As a government we need to find ways to work with municipalities to manage issues of dogs and harness solutions that really work for small communities. Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nadli. Member for Yellowknife Centre, Mr. Hawkins.

MEMBER'S STATEMENT ON NWT EMPLOYMENT STATISTICS

MR. HAWKINS: Mr. Speaker, the recent release of the Bureau of Stats numbers would give most people an opportunity to celebrate. What they do say is the fact that unemployment rates have reached a new one-year low. This is normally a good thing. But normally this doesn't always tell you the whole story when you take a look at the bigger picture of what all the stats say. When you look closely at them, you actually see what the true figures are.

Employment figures have actually dropped, and I mean in this case they've gone south, literally and figuratively.

Participation in the employment sector, trying to get a job out there, is seeing a new low. What this is really telling us is Northerners are giving up looking for work. So when you aggregate that together with the unemployment rate, it looks like more people are working.

The true question is: What are the employment figures? Have employment figures changed? Actually, employment figures are dropping as well.

The numbers tell the true story, not just half a story publicized about unemployment figures looking better. Yes, they are looking better, but the point being is, as made earlier, less people are looking for work because they just can't find it.

When I was in Fort Smith this summer I talked to a lady named Betty, and she was telling me how challenging it is to find meaningful work in Fort Smith. Meaningful work means work she can afford to take care of herself and her children. I can't

imagine hearing more painful words when I hear that from somebody, because you know what? Every person wants to take care of their family.

When I was in Inuvik this spring, I talked to a guy named David. He told me how he has given up looking for work because he can't find work to help pay for his rent, his gas bills, his cost of living is through the roof. What social assistance can offer him just can't cut the mustard.

The true unemployment rates don't tell the whole story as publicized by the NWT Bureau of Stats, because the figures, if they were actual figures, they would tell you that the actual unemployment rate in Yellowknife is about 3.4 percent, but the community rates are over 30 percent. Sure, when you average them, they look good, but the fact is, what it's telling me here are job opportunities are few and far between in the communities, employment is tight in Yellowknife, and we're doing very little to address this problem.

Minister Kenney has made some really serious changes to our EI program. He's changed the Temporary Foreign Worker Program.

My question for the Minister of ECE will be: How prepared are we as a government? How ready are we as a government to pick up the slack that the federal government has downloaded on us unfairly? Are we prepared?

MR. SPEAKER: Thank you, Mr. Hawkins. The Member for Frame Lake, Ms. Bisaro.

MEMBER'S STATEMENT ON INTERNATIONAL DAY TO ERADICATE POVERTY

MS. BISARO: Thank you, Mr. Speaker. Today, October 17th, marks International Day to Eradicate Poverty. Across Canada, food banks and anti-poverty advocates are joining together to call for a federal anti-poverty plan. The ask: that the federal government enact systemic change to eradicate poverty and hunger for the thousands of people, some 830,000 in Canada, who use food banks each month and for the millions of others struggling to get by. If food banks, soup kitchens and other front-line agencies across the country were to shut down tomorrow, poverty and hunger would become far more visible.

Food banks were started in Canada in the early '80s as a temporary way to address hunger. They were never intended to be a permanent measure, but now they are, and we do not have a national plan to address and eradicate poverty in spite of calls from committees of the House of Commons, the Senate and the United Nations, all who have said that Canada needs a federal anti-poverty plan. Today in Canada, one in eight people experience some level of food insecurity, but it's a whole lot worse in Canada's North. Hunger Count 2013 is

last year's edition of an annual publication of Food Bank Canada, and the Hunger Count 2013 report found that, "...many Northerners are not getting enough to eat. Food insecurity in the North, and particularly in the Arctic, is a dire public health emergency."

Statistics in the report, which unfortunately list the three northern territories as one category, show that 38 percent of users across the North are children. From 2008 to 2012 there was a 163 percent increase in the number of residents using food banks in the three territories. From 2012 to 2013, one year, across the North there was an increase of 52 percent in food bank use. At the same time, seven provinces across the country reduced their food bank use.

It doesn't have to be like this. The research shows that there are strategies that work, specifically anti-poverty strategies. When properly resourced and implemented, they can make a difference.

I believe this government is still committed to our own Anti-Poverty Strategy and Action Plan, that they are committed to reducing poverty wherever possible, but actions speak louder than words.

To that end, I will be asking the Minister responsible for our Anti-Poverty Strategy what we have done, what we're doing and how we're measuring any successes.

MR. SPEAKER: Thank you, Ms. Bisaro. The Member for Inuvik Boot Lake, Mr. Moses.

MEMBER'S STATEMENT ON AURORA COLLEGE INUVIK CAMPUS

MR. MOSES: Thank you, Mr. Speaker. Today I'm going to speak about the Aurora Campus in Inuvik. On June 10th members of the Standing Committee on Social Programs had the opportunity to meet with the Board of Governors, the executive, as well as the Minister and his staff up in Inuvik. Along with those meetings we had the opportunity to go on some tours. We toured the college, the classrooms, the residences. We looked into the mobile trades unit as well as going over to the Aurora Research Institute. Great facilities, great staff, and I think the Members can agree with that, and great work that's going on up there at the Research Institute.

However, when we were walking through the halls, they were pretty bare. You go into the facilities and there was hardly anybody that was around or utilizing them. The facilities are not being fully utilized to their potential. You heard it earlier in the Minister of Finance's comments, the NWT economic activity is low and that we want to provide training opportunities for NWT residents to take jobs here in the NWT.

The realities for this campus are there's a lack of programs that are being delivered, there are low enrolments and they've been getting lower every

year, in fact our Office Admin Program is not being delivered this year because there is low enrolment.

As well, our single units as our family units are not all being used, and I do believe that the Aurora College does have an agreement with one of the rental organizations for those family units, but because the enrolment is not there we're paying for empty units.

Great facilities, great staff provide great opportunities. We have great opportunities here in the North. We're looking at the satellite farm, you know, the fibre optic link. Early childhood development, we have a great facility that this government has contributed to within this government, the Children First Centre. The Aurora Research Institute has great opportunities with the research that they're doing, as well as the mobile trades unit that we can get some of our workers in to help build these roads, infrastructure that we want to do in the years to come.

I seek unanimous consent to include my statement. Thank you.

---Unanimous consent granted

MR. MOSES: I just listed off a lot of great opportunities that this government has invested in, except investing in our people. Where are the programs, where are the education opportunities, the training opportunities for great facilities like this, and staff, in the northern region of the Northwest Territories? It's just not there.

I'm going to ask the Minister later on, where are the plans for this campus? Where are the plans for the staff? What are the plans for residents of the Northwest Territories, our students and our families, for the northern region of the Northwest Territories? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Moses. Member for Weledeh, Mr. Bromley.

MEMBER'S STATEMENT ON PRIVATIZATION OF STANTON HOSPITAL FACILITY MAINTENANCE WORKERS

MR. BROMLEY: Thank you, Mr. Speaker. GNWT labour relations recently informed the Union of Northern Workers that Stanton Territorial Hospital's eight maintenance services workers are likely to face layoffs, possibly as early as June 2015. While Cabinet communications recently softened and confused this announcement, the writing is on the wall.

Stanton's food services and housekeeping employees have already been privatized. With the public-private partnership approach to the Stanton rebuild project, this government is committing itself to yet more privatization of government jobs and long-term provision of formerly government services to profit-focused private enterprise.

Should the P3 rebuild of Stanton go ahead with these layoffs, Stanton Hospital will lose the knowledge, experience and demonstrated dedication these long-term employees provide.

Housekeeping and food service jobs were the beginning. Now it appears this approach is to be applied to facility maintenance, and what other services go remains to be seen.

We have little experience with P3 projects and for good reason. Our record of success, and that of many others, is poor. Seldom does outsourcing provide equivalent quality work or match the cost of public services. Outsourcing can have far more serious consequences than bland food or dirty floors. Lowest-bid contractors will not have the institutional memory or services background with Stanton that long-term employees now bring to work every day.

Current safety and maintenance standards will likely be compromised when dealing with the highly stringent requirements of ventilation and sterile environments hospitals require. Lives are often at stake if essential structural systems within the hospital fail. The first time the power goes out or the oxygen system fails or the boiler bursts, consequences will become clear.

The current maintenance staff at Stanton Territorial Hospital are considered by all who work there as an integral part of the health care team. They should be treated that way. Instead, the equivocal government communications on their future has destroyed the previously positive working atmosphere of the maintenance services workers currently at Stanton.

Workers want honesty and certainty and a clear option to continue on the job under a new employer with comparable compensation. This government apparently wins awards for how it employs people and treats employees. Let's see a demonstration of this worthiness here. Provide the workers with clear information and ensure that any P3 partnership contract include a fair opportunity for them to continue their role and apply the experience they have gained under our watch.

I will have questions. Mahsi.

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

MEMBER'S STATEMENT ON FIXED FUEL PRICE IN SMALL AND REMOTE COMMUNITIES

MR. MENICOCHÉ: Mahsi cho, Mr. Speaker. News media in Canada and the world are talking about the decline in gasoline prices. The reason is because of the international glut of oil, which is causing the decline of global oil prices. The southern media reports that in New Brunswick a

gas pump buyer said it's just like winning the lottery, he was so happy gassing up.

The average price of gas across Canada has declined about 23 cents since the end of June. The decline is forecasted to continue well into Christmas, giving people an early Christmas present, so to speak. But closer to home in our small and remote communities, sadly there will be no lottery winning or Christmas present because government-delivered fuel prices are fixed.

Gasoline and heating oil prices are the single biggest driver of the cost of living there. The residents of my communities and all of the other smaller and remote communities across the NWT will suffer with the exceptional high cost of fuel while the world benefits. This is simply not right.

I will be calling upon this government to do something to help our people in small communities who depend on gasoline to make a living from the land and heating fuel for their homes. They should not be penalized by our outdated policies and procedures for delivery of fuel to their communities. We have seen this government come up with \$20 million to help with the power costs. This government can once again be a champion by reducing the cost of fuel in our small communities to reflect the realities of lower oil prices in Canada and throughout this world. Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. The Member for Mackenzie Delta, Mr. Blake.

MEMBER'S STATEMENT ON INCREASING PUBLIC HOUSING STOCK IN AKLAVIK

MR. BLAKE: Thank you, Mr. Speaker. Recently on a visit to Aklavik, constituents raised the need for more housing units in the community. This government has done a great job replacing units, but we now need to focus on adding units to our small communities.

We have a huge demand for both single units and duplex units in Aklavik because many people are moving back to their home community. I have constituents who have been waiting for up to two years for a unit and today they are still waiting. How can we expect to have healthy communities when we have a shortage of housing?

Thank you. I'll have questions for the Minister later today. Thank you.

MR. SPEAKER: Thank you, Mr. Blake. Member for Tu Nedhe, Mr. Beaulieu.

MEMBER'S STATEMENT ON TRIBUTE TO THE LATE RHONI MORGAN BEAULIEU OF FORT RESOLUTION

HON. TOM BEAULIEU: Mahsi cho, Mr. Speaker. Today I'd like to pay tribute to a young Rhoni

Morgan Beaulieu of Fort Resolution. Rhoni was born February 24, 1998, and passed away on August 15, 2014, at the tender age of 16. Rhoni died of smoke inhalation in a house fire.

Rhoni was raised in Fort Resolution by her grandparents Ronnie and Cecile Beaulieu, and she referred to them as mom and dad.

Rhoni had completed Grade 10 and would be going to Grade 11 this fall. She was very active in all kinds of sports from a very young age and was considered a great team player. She had many friends from all over the NWT and other provinces. Rhoni was not shy. She was very outgoing, spoke her mind and was not afraid to express her feelings and thoughts. She was culturally strong and enjoyed going on spring and fall hunts with her father, Ronnie. She enjoyed learning and speaking Chipewyan language and impressed me by speaking Chipewyan to me each time she saw me. She used to walk up to me and say...[English translation not provided.]...which means how are you, for me things are beautiful. The young and old in the community were deeply touched and very saddened by Rhoni's passing.

Rhoni was predeceased by her aunties Dolly Beaulieu and Annie Lafferty; uncles Tinker Delorme, Roland, Harry and Bruce Beaulieu; grandfather John Beckwith; great-grandparents August Beaulieu and Louis "Mickey" Lafferty.

Rhoni is survived by her biological parents, Melanie Beaulieu and Dave Beckwith; her sister Rhonda Beaulieu; her brother Kelly Betsina; grandparents Ronnie and Cecile Beaulieu and Margaret Beckwith; great-grandmothers Lizzie Beaulieu and Virginia Lafferty.

My condolences go out to the late Rhoni Beaulieu's parents, sister, brother, grandparents and great-grandparents, many uncles, aunts and friends. Mahsi cho, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Beaulieu. Member for Inuvik Twin Lakes, Mr. McLeod.

MEMBER'S STATEMENT ON
RECOGNIZING ACHIEVEMENT OF
COMMERCIAL PILOT CECE HANSEN
ON RETIREMENT

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. Yesterday in Inuvik Canadian North flight 444 landed in Inuvik like it does seven days a week, weather permitting. The significance of this flight was it was being piloted by Cece Hansen, who is retiring. It was his last flight and he wanted to fly into Inuvik.

Cece has been flying since 1967 and I believe he's the first of our people to be flying commercial jets, so I think it's important that we recognize and acknowledge the achievements of a lot of those who came before as they helped pave the way for

lot of us in the Assembly and across the Northwest Territories.

I would ask the Legislative Assembly to join me in wishing Cece a happy retirement, thank him for being a role model to all those who came after him, and thank him for all the work that he's done for the people in the Northwest Territories, getting us safely to and from. Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Abernethy.

Recognition of Visitors in the Gallery

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. In my Minister's statement today I spoke about the Med-Response program, and I'm very pleased to have the team that are working on this innovative and exciting project in the House today. I'd like to take this opportunity to recognize them and thank them all for their efforts. First, David Keselman, director of ambulatory care and medical affairs at Stanton; Janie Neudorf, the territorial emergency medical supervisor with Med-Response. We have a couple of emergency medical coordinators: Justin Davi, who is an RN; Carolyn Ridgley, who is an RN; and Vladislav Portnick, who is an RN. We have emergency medical dispatchers Lori MacMillan-Gallant, Kanina Clorey, Samantha Moynes, Justin Youzwa, and Ali Budgell. We have Melody Nikiforow Tkachuk, who is a senior medical travel officer; Carol Bucknor, who is the manager of medical travel; Kevin Taylor, who is director of system innovation; Ashley Geraghty, senior project manager for Med-Response; Amanda White, evaluation specialist; Dr. David Pontin, who is the clinical lead; and Dr. Kue Young, who is the dean of the School of Public Health at University of Alberta, who is helping lead our evaluation team on this important project. Thank you all for being here, and thank you for everything you're doing.

MR. SPEAKER: Thank you, Mr. Abernethy. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Speaker. I'd also like to welcome Dr. David Pontin into the House today, a constituent in the Weledeh riding, and any other constituents that I don't know. Thank you. Mahsi.

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

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Although not technically in the gallery, just on the other side of that wall, I'd like to recognize my constituency assistant today, Wendy Morgan, who is celebrating a very special milestone birthday. So if you see her today – I don't want to name the number, but you can guess. It's a big one.

---Laughter

Wait a minute. I didn't mean that. It's an important one. It's an important one.

Wendy has worked as my assistant for over 15 years. I just texted Mr. Miltenberger; his assistant, Denise, has been with him since he was elected, I believe. So I think these two ladies hold the record for constituency assistant. I could not do my job without her. I know she has helped others of you in this House as well. I just wanted to say happy birthday to her today. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. I would like to welcome everybody here in the public gallery today. Thank you for taking an interest in our proceedings here. Welcome.

Item 6, acknowledgements. Item 7, oral questions. Member for Mackenzie Delta, Mr. Blake.

Oral Questions

QUESTION 385-17(5): INCREASING PUBLIC HOUSING STOCK IN AKLAVIK

MR. BLAKE: Thank you, Mr. Speaker. In follow-up to my Member's statement, I'd like to ask the Minister, when will the department be adding units to the community of Aklavik?

MR. SPEAKER: Thank you, Mr. Blake. The Minister responsible for NWT Housing Corporation, Mr. McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. If the construction of a new seniors centre counts as units, we're doing that right now. See how quick the Member is? As soon as he asks, it happens. But we continue to try and identify a lot of needs across the Northwest Territories, and we're working on that. We continue to try to identify all of our needs. We just had a new community survey done. We used a lot of the information from that to determine where some of our strategic investments are going to be. Again, we continue to replace a lot of public housing units. I have to add that since 2006 we've spent over \$18 million in Aklavik.

MR. BLAKE: As I mentioned in my statement, I applaud the department for all the replacing of units, but there's a big demand for new units as we have many people moving back to the community in a lot of our small communities. But with waiting lists of over two years, some young people who want to start their lives need units. There's a big demand for single units like the multiplex units that we've discussed in this Assembly.

I'd like to ask the Minister, are there plans for a multiplex unit for the community in the near future?

HON. ROBERT MCLEOD: One of the challenges that we face with the declining funding from CMHC is the ability to add new units. A lot of our public

housing units now are replacement units and we're replacing units that are already there. We're struggling with that. We're fortunate that the Legislative Assembly stepped up last year and filled in some of the gap, but it's going to be awfully costly for them to be doing that every year.

Again, I'm not sure of the exact capital allotment for Aklavik. I will find the information and I will share it with the Member. We just, I think, replaced 10 units in Aklavik here just a couple of years ago because the old units were failing, and we put in five duplexes. The Member is correct; we are going to more of a multi-unit type configuration to help with energy costs and keeping our costs down.

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

QUESTION 386-17(5): ADDRESSING THE INEQUITY OF FIXED FUEL PRICES IN SMALL COMMUNITIES

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. Earlier I spoke about how gasoline prices are, on average, being reduced across Canada. I am well aware that Public Works and Services runs our fuel delivery program. However, in general, I'd like to ask the Premier of the NWT some questions regarding this.

More specifically, I would like to ask the Premier, how can he address this inequity where fixed gasoline prices are in our small communities and will remain there until next year when the fuel is delivered this winter but prices will be fixed.

How can our government be involved to address the needs in the small communities when the rest of the world's gasoline and heating fuel prices are declining?

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

HON. BOB MCLEOD: Thank you, Mr. Speaker. The communities that the Member is referring to are those where we resupply once a year, and whatever the price is at that time we pass it on to the consumer. We have a revolving fund, and in a lot of the small communities when the revolving fund is in a surplus position, we reduce the costs, in a lot of cases, by 10 cents a litre. But, generally, we pass the cost on to the consumer. It's very unusual for the gas prices to go down. Usually they go up. We're still waiting here in Yellowknife for the gas prices to go down, so I think you're referring to a temporary spike and it will probably go right back up.

MR. MENICOCHÉ: Well, gasoline prices in Yellowknife are a whole different matter, and I challenge the leadership of Yellowknife to address that with those companies that keep them there. But in the small communities, it's the government that keeps the prices there. So I'd like to ask the

Premier again, will he consider the special exceptional circumstances of world prices declining and people benefiting from it?

How can this government affect change in the small communities, so that communities like Nahanni Butte aren't paying \$1.79 for the rest of the year, Tsiigehtchic paying \$2.01 per litre for gasoline? Those are fixed costs in the rest of the world and at some point Yellowknife will benefit. How can small communities benefit from the changed realities in the world? Thank you, Mr. Speaker.

HON. BOB MCLEOD: The prices in the small communities will not change until the next resupply. So a year from now, when we do the resupply, at that time hopefully there will be lower prices in place. Thank you, Mr. Speaker.

MR. MENICOCHÉ: I'm kind of saddened to hear the short-sightedness of that response here. But I believe our government can do better for our small communities and look at a solution for the interim to help reduce those prices in the communities because it is just so shameful. They are sitting there while the rest of the world's gas prices, and heating fuel for that matter, that effects cost of living and poverty in our small communities.

I'd like this government and Mr. Premier to seriously consider the effects of gasoline and heating fuel prices in the small communities for this coming year. Thank you.

HON. BOB MCLEOD: The government already has a Petroleum Products Stabilization Fund and it has a maximum value of \$1 million. This Petroleum Products Stabilization Fund is intended to temporarily compensate for differences between the purchased cost and the sale price of petroleum products. There is always a delay between the day when new fuel products are delivered to communities and the date when prices to customers are changed. So, we already have a Stabilization Fund. Thank you, Mr. Speaker.

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

MR. MENICOCHÉ: Thank you very much. I know those are technical details that the Minister of Public Works and Services can certainly answer, but I'm asking, I know that the Stabilization Fund was used already and I'd like to ask Mr. Premier when can this government review that and also review a further reduction using this Stabilization Fund for this coming year, given that gasoline prices will continue to decline at this quarter. Mahsi.

HON. BOB MCLEOD: Of course, we can always look at every situation, but generally the market determines the price and we pass the cost on to the consumer. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. Member for Weledeh, Mr. Bromley.

QUESTION 387-17(5):
 PRIVATIZATION OF STANTON HOSPITAL
 FACILITY MAINTENANCE WORKERS

MR. BROMLEY: Thank you, Mr. Speaker. I'd like to follow up on my earlier statement today with questions I believe are probably most appropriately directed to the Minister of Finance on the P3 projects for the rebuild of Stanton Hospital that's proposed, although there are certainly elements for Health, Public Works and Services, Human Resources and so on as well.

On September 30th the Union of Northern Workers received an alert that eight maintenance services workers at Stanton Territorial Hospital may be laid off next summer. At the recent Stanton Hospital AGM on October 7th, Minister of Health and Social Services gave what has been described as a confusing array of answers to questions posed. In particular, workers have heard that the timing of layoffs may be anywhere from June 2015, to once the project has been completed, to never.

My question is: Will the Minister provide the desired certainty to the workers and say what is the most likely time of layoff, given the government's current schedule for this project? Mahsi.

MR. SPEAKER: Thank you, Mr. Bromley. Minister of Finance, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. There has been no final determination as to what is going to transpire or even if there is going to be any layoffs. There are some things being considered as part of the P3 process and what services and what requirements will be in the final agreed to RFP. So when we have that certainly, we will be sharing it with all affected parties as well as all the MLAs. Thank you.

MR. BROMLEY: Thanks for the response from the Minister. Members of the hospital medical staff describe the maintenance workers as critical components of the health care team.

Will the Minister give me his assurance that if the important functions performed by these long-term GNWT employees are to be lost from public service, the P3 contract will ensure that the provider must give these experienced employees an opportunity for continuation under the new employer with comparable compensation? Mahsi.

HON. MICHAEL MILTENBERGER: It's a hypothetical situation posed by the Member, but we have very clear processes as an employer on how we deal with affected employees. We will use those procedures and policies to the full extent to ensure, should there be, if there is, maybe, that that eventuality occurs, we will ensure that every step is made to address the issues raised by the Member.

MR. BROMLEY: Thanks for that response. During the rebuild of Stanton Hospital when the hospital

basically becomes a construction site, it will be difficult to maintain the level of service that patients expect and require. The changeover period will be critical, and maintenance of the systems will be very challenging.

Will the Minister reassure the people of the North that the workers who know the physical plant and systems of the hospital best, those with up to 33 years' experience maintaining the building and its functions, will be there to ensure their safety? Mahsi.

HON. MICHAEL MILTENBERGER: On a go forward basis, the Member is correct, when you do a renovation as opposed to a new build, there has to be these extra, very critical steps taken to protect the quality of the air, infection control and those types of things. I know this personally, as well, because we just went through that situation at the health centre in Fort Smith. It requires that extra special step which will be done. We will ensure that, of course, we will use all the resources available, including all the human resources available. Thank you.

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

MR. BROMLEY: Thank you, Mr. Speaker. It's unfair to the long-time and loyal maintenance services employees at Stanton to have the uncertainty of the timing of their layoffs and whether they will be laid off at all hanging over their heads. Indeed, they reported a destroyed workplace atmosphere compared to conditions before the critical government pronouncements, and we heard the many equivalencies here today from the Minister.

When is the Minister prepared to provide some certainty to these employees, given that this Minister sets the schedule here, so that they can make appropriate plans based on clear information about their future and so that a healthy and positive workplace atmosphere returns to Stanton maintenance services, something I know the Minister and all of us desire. Mahsi.

HON. MICHAEL MILTENBERGER: The key focus I think we have to keep our eye on is we are going to invest something in the neighbourhood of \$350 million to do a major retrofit, expand the footprint and service capacity of the Stanton Hospital by about 40 percent and modernize it into the 21st Century. It's a big operation. There is going to be more staff coming on board.

As we move forward with this process, we will continue to inform everybody. The CEO has already met with staff. The process is not finalized. The final agreement, contract, hasn't been signed. As those issues become clear, we will sort them out.

We are very sensitive to the concerns raised by the Member and that is being considered as we move forward as well. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. The honourable Member for Inuvik Boot Lake, Mr. Moses.

QUESTION 388-17(5):
AURORA COLLEGE INUVIK CAMPUS

MR. MOSES: Thank you, Mr. Speaker. Following up on my Member's statement that I made earlier, I will be asking the Minister of Education, Culture and Employment about some of those issues that arose with Aurora Campus.

Can the Minister let me know, and the people of the Beaufort-Delta and the Sahtu region, is there an action plan moving forward for the Aurora Campus, whether it's a five-year or 10-year action plan, short term or long term? Can the Minister give us any indication if there's an action plan and is it being implemented? Thank you, Mr. Speaker.

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

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. This is an area that Aurora College has been exploring, the Board of Governors, for some time now. They are currently in the process of developing a long-term plan, a five-year plan on how they can deal with the community deliverance of certain programming. So we are, as the Department of Education, Culture and Employment, also working very closely with the college as part of their overall goals and objectives of what kinds of programs will be delivered, whether it is Inuvik, Fort Smith or Yellowknife and the surrounding communities. So those are some areas we are continually monitoring and working very closely with the Board of Governors.

We want to have our input into the system, as well, because we are currently in the preliminary stages of Skills for Success, where we are identifying and doing a needs assessment for communities and delivering that part of programming into the communities. Mahsi.

MR. MOSES: It is a growing concern that has been happening over the last two to three years about the programs being delivered, enrolments dropping, and there's a reason we have a low enrolment. It's because we don't have the programs.

With the programs that are being delivered at Aurora Campus at the moment, what is the campaign strategy that Aurora College is doing to try to get students not only from the Beaufort-Delta and Sahtu regions to that campus but from all the Northwest Territories and other jurisdictions possibly? What is the department doing to increase the awareness of the programs to try to increase

enrolment at the Aurora Campus? Thank you, Mr. Speaker.

HON. JACKSON LAFFERTY: There is a wide range of marketing approaches happening within Aurora College. The Board of Governors is responsible for the three main campuses, including Inuvik. There are various programs delivered, whether it is trades and apprenticeship, education, health, arts, sciences and business. So we want to expand beyond that. There is the ALBE program as well.

As the Member alluded to, we need to attract more students into our programming. That is the ultimate target of the Board of Governors, and we as a department are responsible for training of those individuals. We have various federal programming, as well, and territorial programming which will be integrated into Aurora programming. Those are some areas we are tackling with the Board of Governors of the college. Mahsi.

MR. MOSES: I'm glad to hear that the Board of Governors is responsible for the programs and how they are delivered throughout the three campuses here in the Northwest Territories.

How is the Minister working with the Board of Governors? He is the Minister responsible for Education, Culture and Employment in the Northwest Territories. How is he working with the Board of Governors to ensure that we have equally distributed programs in Yellowknife, Fort Smith and Inuvik? How is the Minister working with the Board of Governors to ensure we have equally distributed programs so that all regions can get the education that they deserve? Thank you, Mr. Speaker.

HON. JACKSON LAFFERTY: I agree with the Member that there should be equal deliverance of programs to the three main campuses and also the 23 community learning centres across the Northwest Territories out of 33 communities. Those are some of the areas that I have captured with the board chair and also the president. We meet on a frequent basis, highlighting the needs of the communities based on the needs assessments that we are currently developing through Skills for Success. We are at the preliminary stages, but we are currently re-evaluating our program deliverance and working, again, very closely with the college on this particular subject, Mr. Speaker. Mahsi.

MR. SPEAKER: Thank you, Mr. Lafferty. Final, short supplementary, Mr. Moses.

MR. MOSES: Thank you, Mr. Speaker. In my Member's statement I mentioned a few great opportunities such as satellite farm, fibre optic link and early childhood development possibilities with the great facility that this government committed to with the Children First Centre.

Would the Minister, when he meets with the Board of Governors, look at increasing the programs in

the Inuvik Campus and one specifically, especially with our Early Childhood Development Strategic Plan, creating an early childhood development program to train our employees in the Beaufort-Delta region? Thank you, Mr. Speaker.

HON. JACKSON LAFFERTY: Mahsi. Yes, most definitely. Those are programs that are currently being discussed by my department and perspective with the college. There's also federal programming with respect to scientific research programming that we've been trying to access for a number of years now. So we are making progress along the way. So those are just some of the areas of innovative programming that we want to be delivered into the three main campuses that we have. Mahsi.

MR. SPEAKER: Thank you, Mr. Lafferty. The Member for Frame Lake, Ms. Bisaro.

QUESTION 389-17(5):

STATUS OF NWT ANTI-POVERTY STRATEGY

MS. BISARO: Thank you, Mr. Speaker. My questions today are addressed to the Minister responsible for the Anti-Poverty Strategy. I mentioned in my statement that I would be asking him for an update. That's my first question.

Can the Minister advise where we're at in terms of our Anti-Poverty Strategy and Action Plan, what we are doing, what we have done and what we are doing? Thank you.

MR. SPEAKER: Thank you, Ms. Bisaro. Minister Abernethy.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. As the Member knows, the GNWT established an advisory committee to help us lead and prepare the development of a territorial action plan. They have been working throughout the summer, they've been working on a number of different initiatives, including the development of a plan and they're hoping to bring the draft plan to a roundtable that we're planning for December.

Also, over the summer with the participation of this advisory committee, the GNWT allocated the \$500,000 that was supported by this Assembly to support the different anti-poverty initiatives. We had 18 applications; we supported 14 of those. Thank you.

MS. BISARO: Thanks to Minister Abernethy for that response. I think I and many others are looking forward to seeing the action plan finally come to the public.

I mentioned in my statement about a report from 2013, and there's a number of recommendations in that report. One of them is that there is a need for a federal northern food security innovation fund, and the intent of that fund is to help jumpstart and sustain community-based, community-led food

initiatives across the North. This is something which, I think, definitely needs to be addressed.

I'd like to know whether or not the Minister, when he talks with his federal counterparts, if he ever raises the issue of food insecurity in the North, particularly in the NWT. Thank you.

HON. GLEN ABERNETHY: Thank you. That wasn't actually one of the agenda items on the last Health Minister's meetings that was in Banff earlier this summer, but it's certainly an initiative and certainly an important topic, and I'd be happy to raise it with my territorial counterparts to see if we can get a little bit of a northern wave on this one. Thank you.

MS. BISARO: Thanks to the Minister. I think it's really an important topic and I think it's probably a much bigger issue in Nunavut than it is here in the NWT, but we definitely have our problems here.

Another recommendation that was from this report talked about food programs for breakfast, school breakfast programs. My brain is still dead from yesterday, I guess. Breakfast programs in schools is something which the GNWT has put some emphasis on. I believe it is one of the things that is being considered by the Anti-Poverty Strategy Working Group.

I'd like to know from the Minister if that is indeed correct and if there will be a focus on providing adequate funding and adequate resources to run school breakfast programs. Thank you.

HON. GLEN ABERNETHY: Thank you. In the action plan, the territorial response for the framework, there was some money identified by the Department of Education, Culture and Employment to put towards food initiatives. I will get the specifics and share that with the Member, but I will also point out that in the \$500,000 that we allocated a number of the initiatives that we did support were based on food security. We had a healthy living application that was submitted, we had Growing Gameti's Wellness that was supported, which actually supported the largest community garden outside of regional centres, there's a community soup kitchen in Liidlii K'ue. We also supported the Inuvik Community Kitchen Program and Taste Makers nutrition education program. So a number of the initiatives that were supported fall clearly under one of the five pillars of anti-poverty and we have been supporting food security. Thank you.

MR. SPEAKER: Thank you, Mr. Abernethy. Final, short supplementary, Ms. Bisaro.

MS. BISARO: Thank you, Mr. Speaker. Thanks to the Minister again. It kind of leads into my last question. Another recommendation from the report was that there needs to be an investment within infrastructure within the communities related to food security and provision of foods, specifically construction of community-identified resources as

community centres and/or community freezers. So I'd like to say to the Minister, I'm really glad that we have this \$500,000 that is being used.

Is it intended that this \$500,000 will be an annual amount, and will it be eligible to be spent on things such as community freezers and centres to help increase food security? Thank you.

HON. GLEN ABERNETHY: Thank you. The \$500,000 is part of the base, so it will be available every year. It's application-based. So we are open to any application that comes in. The catch is the applications have to fall clearly within one of the five pillars identified within the framework to improve the lives of people throughout the Northwest Territories. Thank you.

MR. SPEAKER: Thank you, Mr. Abernethy. The Member for Yellowknife Centre, Mr. Hawkins.

QUESTION 390-17(5): NWT EMPLOYMENT STATISTICS

MR. HAWKINS: Thank you, Mr. Speaker. In my Member's statement I talked about concerns with employment rates, so I have questions for the Minister responsible for employment. In this particular case, that would be Mr. Lafferty.

Could Mr. Lafferty provide some examples of true unemployment figures in several of our communities, and I'll allow him to pick his own examples of what the true unemployment figures are in some of our northern communities, please.

MR. SPEAKER: Thank you, Mr. Hawkins. Minister of Education, Culture and Employment, Mr. Lafferty.

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. The detailed stats I don't have in front of me, but I can provide that to the Member. We have been closely monitoring the stats that have been coming in, whether it be nationally or even our own Northwest Territories jurisdiction. We're coming out with some solutions to deal with those matters as we move forward with the federal government as well. So those are some of the programming that we need to put more emphasis on to deal with those individuals at the community level. Mahsi.

MR. HAWKINS: Thank you. By way of example, the last figures I can find, of course under our NWT Bureau of Stats, is Beau-Del was at 54 percent, Deh Cho 50 percent, Sahtu 55, South Slave 63, Tlcho 39 percent and YK at 79, and that's sort of territory-wide for the Minister's benefit.

What job creation programs has this department created under the tenure of this Minister, and can he provide some examples of how many new jobs have been placed on the ground and where?

HON. JACKSON LAFFERTY: Mahsi. The Member is asking for more detailed information and I can certainly provide the breakdown of the stats. Again,

I don't have the breakdown of the stats in front of me, but I can assure the Member that the Canada Job Fund is an area that we've negotiated with the federal government to deal with those individuals at the community level where there's high unemployment at the community level. Not only that, there's also a Labour Market Development Agreement where we're currently negotiating with the federal government to provide more flexibility for those individuals that are on EI as well. So these are some of the areas of programming.

The Small Community Employment Program is another initiative that this government has been very successful to date. So I can forward that detailed information to the Member. Mahsi.

MR. HAWKINS: Thank you. Although actual employment rates are trending downwards, we're going south, as I said, literally and figuratively. We've noticed that the federal government has slashed the EI program, which is going to now fall onto the territorial government to pick up the slack. As I said earlier today and I'll just make one more point, which is the Yellowknife rate of unemployment is closer to 3.4 percent, and of course, as we all know here, the community unemployment rate is closer to 30 percent, if you're lucky to be that low.

The reality here is, and my next question leads into, if the Minister can't offer any details, maybe he can speak to what specific programs he's seen initiatives create new jobs in territorial communities and provide some examples. Thank you.

HON. JACKSON LAFFERTY: Mahsi. I thought I did that in my last answer where different programs, Canada's Job Fund is a national program. Specifically for the Northwest Territories, we are receiving funds towards those individuals that do not qualify for EI and we've created some incentives, as well, where we have \$500,000 in addition to other provincial jurisdictions because of our uniqueness, our remoteness and the highest unemployment in the Northwest Territories. So that's one particular program.

There's also the Labour Market Development Agreement. There's the small communities programming, employment programs that we've initiated. These are just some of the programs that are available. There's on-the-job training within my department too. I can have the breakdown to the Members, all those programs that relate to this particular initiative.

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

MR. HAWKINS: Thank you, Mr. Speaker. I'll gladly take any one of those commitments, all or some or who knows what I'll get, but I'll certainly welcome every single one of them. Since, as I highlighted, the changes to the EI program, it now makes it

more challenging for our northern workforce to find consistent, meaningful employment options. We're now talking that you have to find well over five months of actual work to qualify for EI. Now, in a robust, working economy, not a problem. I accept any changes. But what is the department prepared for in this new shift where they've extended the hours one must have to work but community options and employment options are not keeping pace with this immediate demand? Feel free to use any briefing note you want to answer this question too. I'm here for the facts.

HON. JACKSON LAFFERTY: We're fully aware of all of these different stats and the calculation that has been changed by the federal government. It is a federal government administered program, the EI, so I will provide the facts that the Member is alluding to.

MR. SPEAKER: Thank you, Mr. Lafferty. The Member for Deh Cho, Mr. Nadli.

QUESTION 391-17(5):

DOG CONTROL IN SMALL COMMUNITIES

MR. NADLI: Mahsi, Mr. Speaker. As I stated earlier, my questions are to the Minister of Municipal and Community Affairs regarding loose dogs in the communities. It's a common site in one of my communities at least, to see people carrying sticks. I myself have taken walks and you feel safer carrying a stick. At the local communities, some of them being small and remote, some of them are settlements, some of them are hamlets, some of them are band councils.

My question to the Minister is: What tools are available for remote communities to help manage dogs if they have issues in terms of loose dogs in their communities?

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

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. A few years ago we strengthened the Dog Act so the communities have the legislative authority to deal with the dog situation in their community, and we also fund them through the O and M allocation to deal with that if they choose to.

MR. NADLI: Currently, the Minister has indicated the Dog Act was recently updated. What enforcement options exist within the Dog Act? For example, I think some communities, whether they're settlements or maybe hamlets, they have perhaps at their leisure with the O and M dollars that MACA commits to hire a bylaw officer. What if some of those communities don't have bylaw officers? What enforcement options exist within the Dog Act for those communities?

HON. ROBERT MCLEOD: We've given them legislative authority to deal with this. If they have

bylaw officers, they can empower them to deal with the dog situation. If they don't have bylaw officers, they have the authority to appoint someone as dog officers and deal with the situation, and they are funded through the O and M funding to do so.

MR. NADLI: It seems, once again, we put great effort in updating legislation and regulations, but then we really leave it to the communities. The Dog Act is basically left for communities to enforce the dog control measures, so my question again to the Minister is: Does MACA offer any training or guidance to communities on dog control matters?

HON. ROBERT MCLEOD: Through our School of Community Government we do offer some training; however, we offer some bylaw training, I believe. I am not sure if dogs specifically are on there. If not, I will find out and relay that information on to the Member.

MR. SPEAKER: Thank you, Mr. McLeod. Final, short supplementary, Mr. Nadli.

MR. NADLI: Thank you, Mr. Speaker. I think there could be a workable solution in terms of trying to bring MACA and communities together and try to take a constructive approach in terms of dealing with this matter that's pretty common throughout the NWT.

Would MACA consider partnerships with veterinary schools to bring clinics to small communities in the NWT?

HON. ROBERT MCLEOD: Part of MACA's mandate now is to deal with the communities. We work with the communities. We leave all the decision-making up to the communities, which I believe is the way it should be, and it's something that the communities have wanted for a long time and have grasped. They've taken that on and done an admirable job doing so.

If there's a need in the community to bring some veterinarian in to work in the community, that again would be a decision. We'll work with the community and help try and facilitate this.

At the end of the day, as I've said for the last five or six years, the ultimate decision is the community's, as it should be.

MR. SPEAKER: Thank you, Mr. McLeod. The Member for Hay River North, Mr. Bouchard.

QUESTION 392-17(5):
TAX RELIEF FOR NORTHERNERS

MR. BOUCHARD: Thank you, Mr. Speaker. As I indicated in my Member's statement, the cost of living in the Northwest Territories has escalated to a point of crisis. My questions today – and I understand the government is working on an Energy Strategy – will be to the Department of Finance Minister.

My first question is: Has the government talked to the federal government about northern residency deductions and increasing that allowable tax deduction for Northerners so that more money can go into their pockets to assist with cost of living?

MR. SPEAKER: Thank you, Mr. Bouchard. The Minister of Finance, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Not recently.

MR. BOUCHARD: Sorry, Mr. Speaker, I didn't hear that response.

MR. SPEAKER: Thank you, Mr. Bouchard. Could you redo your response to Mr. Bouchard, Mr. Miltenberger?

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. I apologize to the Member opposite. Not recently.

MR. BOUCHARD: In the cost of living issue currently before us, why would the Minister of Finance not be talking to the federal government about this situation to allow a bigger tax break for Northerners, especially when we have a declining population?

HON. MICHAEL MILTENBERGER: I would be happy to share with the Member the analysis that was done last time this issue was discussed among the three territories. There's a benefit to higher wage earners, but overall, the general consensus from the three territories was it's not something that would directly benefit Northerners overall or the territories as a whole. I would be happy to share that information with the Member and we could always revisit it once again as well.

MR. BOUCHARD: If that analysis has been done before, what is the Department of Finance doing currently in taxation to help the Northerners with the cost of living to put more money into their... Are there ways that we can reduce taxes to help people in the Northwest Territories currently?

HON. MICHAEL MILTENBERGER: We have a very stable tax regime. We have committed not to raise taxes in the life of this government or the previous government for that matter. Income tax, corporate tax, we haven't affected the taxes on motive or non-motive fuels, and we have as a government, if you look at our list of subsidies, at least \$200 million worth of subsidies that we put on the table across government to support and assist Northerners.

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

MR. BOUCHARD: Thank you, Mr. Speaker. The Department of Finance is looking at things they've studied before. They say we're stable, we haven't changed anything. That's right. We haven't changed anything. We're looking to promote 2,000 people to come to the Northwest Territories.

What's the indicator to bring them here? What is the government going to do to promote the Northwest Territories as a place to live and reduce the cost of living? Maybe we don't have to stay the same. Maybe we reduce the cost of gas taxes so that people can come.

What is the government going to do in the future to encourage people to come to the Northwest Territories?

HON. MICHAEL MILTENBERGER: We're going to continue to talk about our own employees negotiating very competitive wage packages where some of our teachers, for example, are some of the best paid in the country. We are going to be talking in an Energy Charrette about the need to look at the issue of type of generation, and we're going to indicate as a government that we're prepared to invest hundreds of millions of dollars to deal with the generation issues that have a direct effect and impact on the cost of living tied to energy requirements that the Territorial Power Support Program we currently have does not benefit businesses, so the businesses in the small communities bear the full cost of power generation, which can be an extremely onerous burden.

We started our work on increasing the population by 2,000 people over the next five years. That work is well along the way. So, we have a whole host of things that we're doing to address these issues.

I point out that we still have one of the best quality of life in the territory and some of the best social programs, best education programs, best support for seniors programs anywhere in the country, so we have a lot of attributes.

There are a lot of internal things we need to do, and I touched on those yesterday, in terms of being able to go south for those hard-to-fill positions and give our staff the capacity to hire while they're down south on the spot. We're going to do things with industry to do job fairs and those types of things collectively down south as we both go ahead to try to address the issues that face us.

We have hundreds of job vacancies that we're trying to do a better job at. We're investing \$22 million over three years to put housing into the small communities, market housing, so that these hard-to-fill positions are not going to be not filled because there's not proper housing. We're onto phase three of decentralization to get positions out into the communities, out of the centre, tied to devolution, tied to our interest to make sure that we spread the government presence as broadly as we can across the Territories.

So there's a whole host of things that we're doing. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Miltenberger. Member for Range Lake, Mr. Dolynny.

QUESTION 393-17(5):
ARSENIC EXPOSURE RELATED TO
HIGHWAY NO. 4 REALIGNMENT

MR. DOLYNNY: Thank you, Mr. Speaker. We, being the Members of this House and the public, were led to believe the work on the Highway No. 4 bypass, which went through some potential high-risk arsenic hotspots, was vetted by our Department of Transportation, ENR and the Giant Mine Remediation Team. We were assured that there was an eye on safety and liability aspects of potential risk to workers and contractors. My question today is for the Minister of Transportation.

Yesterday I tabled a 2008 Queen's University study, where the author clearly recommended more sampling be done further away from the roaster, due to the persistent arsenic trioxide in the soil environment at Giant.

Can the Minister indicate to the House, before yesterday, was this the first time he or his department has seen such report? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dolynny. Minister of Transportation, Mr. Beaulieu.

HON. TOM BEAULIEU: Thank you, Mr. Speaker. I can't speak for whether the senior management at DOT has seen that report or not. I know that it wasn't directly related to the bypass road, and I have not seen the report. Thank you.

MR. DOLYNNY: Mr. Speaker, the second report I tabled was an April 16, 2014, Giant Mine Working Group Public Report. On page 3, "Erika Nyyssonen (GNWT-ENR) noted that DOT, at the time, had been made aware of the Queens Soils results, and their vicinity to the highway realignment activities."

Clearly, the department was aware of the province of arsenic in the area. So, can the Minister indicate to the House, why there was no baseline soil sampling for the potential of arsenic done by DOT before the construction of the Highway No. 4 bypass? Thank you.

HON. TOM BEAULIEU: Mr. Speaker, I don't know that there were no baseline studies done on the Highway No. 4. I'd have to get to the department to determine whether or not there was a baseline study done. I'm assuming that there was, and if there was some danger there to building the bypass road there, it would not have been built. Thank you.

MR. DOLYNNY: I can answer that question for the Minister here because it was answered in that report on page 3. I quote, "Todd Slack (YKDFN) asked if there had been any sampling done before the new highway was constructed. Erika Nyyssonen (GNWT-ENR) said that DOT did not do any baseline sampling before the road went in." So, Mr. Speaker, this is clear evidence that the

DOT failed to provide the necessary liability aspects for potential risk to workers and contractors.

Does the Minister know if there has been any baseline sampling done that he is aware of or the department has done during the construction life of the Highway No. 4 bypass? Thank you.

HON. TOM BEAULIEU: I'm not aware of any studies done.

MR. SPEAKER: Thank you, Mr. Beaulieu. Final, short supplementary, Mr. Dolyunny.

MR. DOLYUNNY: Thank you, Mr. Speaker. Here is the bill of goods. According to public documents, DOT clearly knew the potential for arsenic-rich hotspots with the Queen's report for the Highway No. 4 bypass and yet they did not do any baseline sampling. Why? Who knows?

Can the Minister clearly articulate what real precautions took place with this road construction and what is this government's liability to the arsenic exposure to these contractors? Thank you, Mr. Speaker.

HON. TOM BEAULIEU: As that road is still under construction, I will speak to the department and the work that they've done. They have done some work with the Department of Environment and Natural Resources when that road was being planned. I'm assuming the department, if advised by the Department of Environment and Natural Resources, another department of the government, that it would be dangerous to build a road there, that the road would not have been built there, but I will check with the department and get back to the Member. Thank you.

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

QUESTION 394-17(5):
ENERGY CHARRETTE

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I would like to follow some of my colleagues today in talking about the cost of living. I'd like to start by asking the Premier about this new Energy Charrette that is being held. I'm not saying it's a bad idea, but we had the first one that seemed to generate a fair amount of enthusiasm.

I would like to ask the Premier if he could articulate for us what we learned from the first Energy Charrette which actually resulted in some kind of a change in the direction that we were going or the way we do things that might have actually impacted the cost of living in the North because, in fact, energy is a huge part of that cost of living. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Honourable Premier, Mr. McLeod.

HON. BOB MCLEOD: Thank you, Mr. Speaker. We learned a lot from the first Energy Charrette. We had a very good discussion and the outcomes of that was the Energy Action Plan, where this government invested more resources into reducing our reliance on fossil fuels. We came up with a 20-year vision for power production and basically it looked at joining up the two hydro zones by building transmission lines and also looking to have interties with the South so we could access cheaper power, and as demand grows, we can expand our hydro facilities. Thank you, Mr. Speaker.

MRS. GROENEWEGEN: So it sounds like the first Energy Charrette, then, did produce some very positive results and some recommendations and some plans.

I would like to ask the Premier if we as a government are in a position financially to act on some of those long-range plans.

Has there already been action taken or is there some action to come that we can afford to undertake in the government? Thank you.

HON. BOB MCLEOD: It was our government's intention to look at finishing the costing of these transmission lines, and also, at the same time, we had approached the federal government to increase our borrowing limit by \$1 billion.

Our costing has determined that the cost of building a transmission line to join the Taltson and Snare Hydro systems are prohibitive and it's in the neighbourhood of almost 100 percent more than we had originally forecasted. In our view, those costs are too prohibitive to allow us to go ahead.

I think we feel with a second Energy Charrette we have to take a different approach whereby we make the consumers start to utilize more alternative and renewable forms of energy. Thank you, Mr. Speaker.

MRS. GROENEWEGEN: I would like to ask the Premier if the recent statistics on the low water and the impact that had on our hydro production has caused any shift in the plan that was developed as a result of the Energy Charrette. Obviously, we don't know how long this is going to continue to be a problem, but it might have resulted in some kind of correction to our plans going forward given the outcome of this past year's water levels and hydro interruptions. Thank you.

HON. BOB MCLEOD: Certainly the low water and prohibitive cost estimates for building transmission lines, we don't know if this low water will continue. This is a first time ever, the lowest in 65 years. Generally, the hydro reservoirs are filled with water every year with the runoff from the spring, or the freshet as they call it. The annual rainfall this year for the three months of May, June, July, I think we had a thimbleful of rain. So I don't know if this will be continuing on an ongoing basis, but certainly it

made us recognize that we had to find a better way to reduce our reliance on hydro facilities in case it's a permanent situation where going forward where the reservoirs won't be refilled and we will have to look at alternatives where the consumers will have to become more independent and we will have to find a way to reduce our reliance on some of these facilities by having the Power Corporation buy excess power by individuals who generate their own power. Thank you, Mr. Speaker.

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

MRS. GROENEWEGEN: Thank you, Mr. Speaker. It sounds, from what the Premier is saying, that the focus of the second Energy Charrette is going to be away from the infrastructure more to breaking it down to the consumer.

Is the make-up or the composition of the people who will be participating in the second Energy Charrette going to reflect that shift in focus? Thank you.

HON. BOB MCLEOD: That is our intention, and we hope that through the people who we invite and all the participants that will in fact be the case. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. The honourable Member for Range Lake, Mr. Dolyunny.

QUESTION 395-17(5):
SELF-REPORTING TOBACCO AND
FUEL TAX AUDITS

MR. DOLYNNY: Thank you, Mr. Speaker. Who likes tax audits? I clearly don't and I can speak for many, as well; however, the need to validate compliance with tax laws is paramount, and unfortunately, a tax audit is such a measure of testing this effectiveness. I will be asking the Minister of Finance today questions pertaining to our two self-reporting tax categories of tobacco and fuel.

Tax assessments for tax law noncompliance are a critical measure for government performance and transparency.

Can the Minister of Finance share with the House how many tax audits were performed for both self-reporting tobacco and fuel tax for the 2013-2014 fiscal year? Thank you.

MR. SPEAKER: Thank you, Mr. Dolyunny. The Minister of Finance, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. There were two tobacco tax audits in 2013-14, one in Edmonton and one in Hay River. There were 18 petroleum products tax audits in 2013-14 and all 18 were in Yellowknife. Thank you.

MR. DOLYNNY: From the findings we received today here from the Minister for the '13-14 fiscal

year, can the Minister indicate what was the breakdown of the amount of the additional assessment of dollars recovered for both tobacco and fuel tax?

HON. MICHAEL MILTENBERGER: The additional net adjustments for tobacco audits was \$378,000, and the additional net adjustments for petroleum products was \$2.360 million.

MR. DOLYNNY: What we're hearing from the Minister today, if we compare this to last year's public accounts, we've increased somewhat a number of our tax assessments from the previous year but this is translated, I believe, to a substantially larger assessment of dollars being recovered. Just my quick math here, showing about \$2.7 million recovered, which is incredible.

Given these startling numbers, what measures are the Minister or the department prepared to change on how we deal with the self-reporting tax for both tobacco and fuel?

HON. MICHAEL MILTENBERGER: Effective April 2014 there were two additional tax audit positions put into play. It was approved during the business planning process. The regional structure was put in place. One of the new auditors was in Hay River and the other one in Inuvik to complement the manager of tax audit. We talked tax audit positions in Yellowknife. The 2014-15 audit work plan was created based on general risk assessment of the tobacco, petroleum products and payroll tax areas. Training of the new auditors, implementation of the regional structure is a focus for 2014-15, and the work plan the following planned audits for 2014-15. There were, for tobacco, four wholesaler audits, there were eight major wholesale audits, 11 in total, two in Yellowknife, one in Hay River, one in Inuvik, 17 retail audits within seven communities, 115 retailers in the NWT, six in Yellowknife, five in Hay River, six in Inuvik. The current status is eight out of the 17 retail audits have been completed to date, six in Yellowknife, one in Inuvik and one in Hay River. There have been no wholesaler audits completed to date. There have been no issues noted on the audits based on the audits to date.

Petroleum audits, five audits of major collectors, 45 and 50 active collectors, 12 of which have been major collectors, two in Yellowknife, two in Hay River and one in Inuvik. For audits of non-major collectors, one in Yellowknife, two in Inuvik and one in Hay River. Current status is there is one audit of a major collector in progress in Yellowknife. Four other audits are also in progress, one in Yellowknife, two in Inuvik and one in Hay River.

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

MR. DOLYNNY: Thank you, Mr. Speaker. I appreciate the Minister's fine forensic audit on that audit.

Given the increased interest of these two self-reporting categories, can the Minister indicate to the House why is the information of tax assessment and additional dollar recovery not readily available to the public? Of course, I understand confidentiality of locations of wholesalers and retailers are critical, however, the aggregate of such information is not. So why is it that this department is not sharing audit information publicly?

HON. MICHAEL MILTENBERGER: We are as transparent as possible. We, of course, are interested in being more transparent if that's possible. We would be more than happy to have discussions with the Member and with committee about what improvements could be made.

I would also just like to touch on some additional information that I didn't touch on before. There were also payroll audits done, payroll tax audit. Two major payroll tax collectors, and there were two done in Hay River, 23 additional payroll audits are planned, five in Yellowknife, 12 in Hay River, six in Inuvik. The current status is one of the major collectors audits is in progress and that one is in Hay River.

I appreciate the interest of the Member and we would be, of course, more than willing to have any type of discussion the committee sees as important in improving the transparency of the operation and the accountability that is currently in place.

MR. SPEAKER: Thank you, Mr. Miltenberger. The time for question period has expired. Item 8, written questions. Mr. Dolynny.

Written Questions

WRITTEN QUESTION 20-17(5): NWT DEBT

MR. DOLYNNY: Thank you, Mr. Speaker. My questions are for the Minister of Finance. In April 2014 the Fraser Institute published "Canadian Government Debt 2014 – A Guide to the Indebtedness of Canada and the Provinces." Please provide the following data, according to the definitions of the Fraser Institute Report, for the 2013-2014 fiscal year:

1. NWT government liabilities for
 - a) total direct debt;
 - b) total debt guarantees;
 - c) total contingent liabilities and contractual commitments;
 - d) total program obligations; and
 - e) total government liabilities
2. consolidated government liabilities, per capita and as a percentage of GDP for
 - a) total direct debt

- b) total debt guarantees
 - c) total contingent liabilities and contractual commitments;
 - d) total program obligations; and
 - e) total government liabilities
3. growth in consolidated government liabilities per capita, per taxpayer, and as a percentage of GDP for
 - a) total direct debt
 - b) total debt guarantees
 - c) total contingent liabilities and contractual commitments;
 - d) total program obligations; and
 - e) total government liabilities
 4. total consolidated government liabilities per capita, per taxpayer, and as a percentage of GDP
 5. total government interest charges and interest charges as a percentage of revenue.

MR. SPEAKER: Thank you, Mr. Dolynny. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Committee Report 7-17(5), Report on the Development of the Economic Opportunities and Mineral Development Strategies; and Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016, with Mr. Dolynny in the chair.

Consideration in Committee of the Whole of Bills and Other Matters

CHAIRMAN (Mr. Dolynny): Good afternoon, committee. I would like to call Committee of the Whole to order. What is the wish of committee? Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. We would like to consider Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016.

CHAIRMAN (Mr. Dolynny): Thank you, Ms. Bisaro. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Dolynny): Thank you, committee. We will commence after a short break.

---SHORT RECESS

CHAIRMAN (Mr. Bouchard): I'll call Committee of the Whole to order. We agreed to consider Tabled Document 115-17(5). I would like to ask the Minister responsible, Minister Miltenberger, to make his opening comments.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I am here to present for the committee's consideration the 2015-16 Capital Estimates of the Government of the Northwest Territories.

The estimates represent \$249 million in appropriations for government and \$28 million for community infrastructure investments in the 2015-16 fiscal year.

These estimates do not include appropriations for housing infrastructure proposed by the NWT Housing Corporation in 2015-16, totaling \$36 million. The appropriation for these investments will be sought during the committee's review of the 2015-16 Main Estimates. The NWT Housing Corporation's proposed 2015-16 Capital Plan, however, has been included in the estimates document as an information item for review and comment.

Including the proposed housing investment, the total planned infrastructure investment in 2015-16 will be \$314 million.

These estimates represent the second year of a two-year increase to the capital plan of \$50 million per year. Although this short-term increase will help address some critical infrastructure priorities, the GNWT will continue to have a significant infrastructure deficit going forward.

The GNWT is facing the difficult challenge of maintaining existing assets, improving housing stock and meeting legislative requirements with limited fiscal resources. Our ability to meet these needs is further constrained by a borrowing limit whose definition was broadened while the limit remains restrictive and does not reflect the debt-carrying capacity of the government. The GNWT will continue to improve our territory's essential infrastructure base to deliver programs and services, to respond to slowdowns in the NWT's economy or to make investments in strategic infrastructure that will better position the territory and all of Canada to maximize economic opportunities of the North.

Major highlights of these estimates include:

- \$108 million for highways and winter roads across the NWT. This includes funding for the Inuvik-Tuktoyaktuk highway, which will largely be funded by the federal government;
- \$84 million for health facility replacements, renovations and information system upgrades, including funding required for the renovation of the Stanton Territorial Hospital project;

- \$28 million to continue to contribute to community infrastructure needs;
- \$15 million for small capital projects across all departments;
- \$7 million to begin replacing the current air tanker fleet that support forest fire operations;
- \$6 million for information technology projects;
- \$3 million to continue the Capital Asset Retrofit Program for energy efficiency upgrades to existing GNWT buildings, including the installation of biomass heating systems; and
- \$2.5 million for improvements to NWT parks.

In addition to the significant capital investment for 2015-16 I just articulated, the government also expects to successfully conclude an agreement with Canada that will implement the new Building Canada agreement that will see \$258 million over 10 years invested in infrastructure for the GNWT and municipal governments. The government intends to bring forth a supplementary appropriation in the February-March 2015 session to include the first bundle of new Building Canada Plan projects in the 2015-16 Infrastructure Acquisition Plan.

I'm prepared to review the details of the 2015-16 Capital Estimates. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Bouchard): Thank you very much, Mr. Minister. Would the Minister like to bring witnesses to the House?

HON. MICHAEL MILTENBERGER: Mr. Chair, I understand that we just intend to do general comments today, so I had not arranged to have any witnesses to be brought in. Thank you.

CHAIRMAN (Mr. Bouchard): Alright. Does committee agree to continue with general comments on TD 115-17(5)?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Bouchard): I will open the floor to general comments on TD 115-17(5). General comments. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. I appreciate the Minister bringing forward the capital estimates for 2015-2016. Of course, I want to keep my comments as general as I can. I will base my dialogue on the presentation that I just had here.

First and foremost is to understand where our debt ceiling is going to start trickling to with the hopefully successful completion of the capital estimates. We know that this is a \$249 million initiative in appropriations. Where does the Minister see, should this appropriation be passed in its entirety, that places us in our fiscal picture in terms of fiscal health? How close do we get to our borrowing limit, and how far do we get into our short-term borrowing limit? I believe we have a \$275 million short-term borrowing limit. So I guess my first general

comment would be where do we see ourselves fiscally should this appropriation be passed? Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. The one variable that is yet to be finalized, and the Premier mentioned in some of the debate in the House this morning, and that is the conclusion to our request for an increase to our borrowing limit. When you look at the status quo, the debt ceiling, we've been working to keep a minimum of \$100 million cushion between us and the \$800 million borrowing limit. We are now slightly under that \$100 million as a result of the latest decision to cushion and absorb the cost of the rate rider for low water on the Snare. For short-term borrowing, we think we can manage within the \$275 million, but for the sake of prudence and taking away the risk that we think it should be increased to \$300 million, especially as we look at the request that's before the House to move \$40 million of the Tuk-Inuvik Highway Project from next year to this year to ensure that the project keeps working and that the work gets done without any break. Thank you.

MR. DOLYNNY: I think it's imperative that we continuously get those updates in terms of both borrowing limits, the short-term and the long-term. I think people need to clearly understand, like balancing a chequebook, where we're sitting at, especially with large ticket items as we have before us.

The Minister just mentioned the issue of the Inuvik-Tuk highway and what I tried to read between the lines was that it sounds like there is a \$40 million accelerated payment happening in this fiscal year. Again, as a Member, I don't want to talk about the progress of the project, I don't think that's in my expertise.

From what I've heard, they did have some challenges in their first season. They did not meet probably all of the requirements in terms of, I guess, the original contract, which is something I don't want to talk about at this stage, but I have great faith that they're going to continue on and do a good job in its entirety of a complete 140-kilometre stretch of road.

My concern is the fact that we are now taking money from another budget year of \$40 million and accelerating it into this year. Is this our only plan of action given the fact that we know that not all the terms were met last year? Is there a way that it can be mitigated a little bit easier on our pocketbooks other than taking a \$40 million hit in this fiscal season? Thank you.

HON. MICHAEL MILTENBERGER: Thank you. This project, of course, is funded \$200 million by

the federal government, \$100 million by ourselves. The Government of the Northwest Territories, we've got that funding flow starting to work.

In response to the Member's question, it's not an advance. It's going to be from money spent for work done that we are of the opinion of having had one year under our belt and seeing the work that was done by the contractor, got through the start-up issues, got the equipment going, got the staff online, local staff, got all the processes and procedures figured out that this year they will be able to do the work as has been laid out by Transportation to in fact be able to, if all goes according to this plan, which we have every reason to believe it would, is to conclude this project in three years instead of four. Hence the need to look at moving up some of that \$40 million.

The intent would be for the project to start as soon as they're able with the weather, and the concern would be that without any additional funds that they would, in all probability, run short of cash sometime late December, mid-January, which would put the project in a state of hiatus where we don't have any money to get the work done. So this is, in effect, a good news story where we've got things going, and we believe now that we'll in fact be able to accelerate the project and get the project done earlier than has been planned. Thank you.

MR. DOLYNNY: Thank you. I do concur with the Minister. It's always exciting news to hear that a project is going ahead of schedule, but I want to zone in a little bit on what was just said. The Minister mentions that money is spent for work done, and quite frankly, I think Members on this side of the House were led to believe that not all the work was done last season for various reasons, but again, this was the first year the group was building a road in a very trying environment, but there wasn't all those milestones being met. So the work was not completely done so there would have been money lapsed from last year, which would be used in this fiscal year. Now, what we're being asked from the committee here is to look at accelerating more money into the project without at least a proof of performance. Is that indeed what was being asked of Members here, that yes, we are trying to, we don't want to hold back construction by any means, but we are being asked to bring money into a project without really having all the proof or all the matrixes checked off as being completed? So, in theory, it's a bit of a leap of faith that we're using public money to accelerate a project to which really has not met all the terms and conditions from year one and it sounds like we have got some pretty lofty goals for this fiscal year to complete X number of kilometres when really the track record hasn't shown that.

I guess the level of comfort I know that some Members have on this side of the House may not

be as enthusiastic as the Finance Minister. What reassurance or what guarantees would we have if indeed we're using this money, this \$40 million now and taking it from this budget year, which indirectly could affect other projects that were in the queue for supplementation or start-up, we're now taking money from a future budget season and accelerating it here, which is of concern for a few of us here.

So I guess the question is what guarantees, if any, can be placed, if possible, that proof of performance will indeed occur by this advancement of the project and this extra \$40 million from our budget? Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. I know the question is very detailed, but we are in general comments. I'll allow the question to happen and ask the Minister to answer it, but if I could just remind all the Members that we're in general details and we'll have plenty of time to ask detailed questions. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I was going to raise the same concern, because I could have the appropriate deputies here to have that fulsome discussion. But in regard to the question, there was no lapsed funding that we can detail to the penny where the funds were spent. Things, start-up costs, there were big-ticket items like the payment for the gravel are two that come to mind. I'd also point out that the first year was the toughest when it came to the amount of culverts and bridges and terrain to cross. So that big piece has been done and on a go forward basis it's considerably less onerous when it comes to that type of very specialized, expensive installation of the large culverts and bridges. Thank you.

MR. DOLYNNY: Thank you, and I do apologize. I didn't mean to get prescriptive in the detail of that question, it's just the topic did open up and I apologize to the House. So I'll back up the bus here and get as general as possible.

Will this \$40 million advancement in the project, does it deter from any other projects that the department had in the queue for this fiscal year? Thank you.

HON. MICHAEL MILTENBERGER: Thank you. No, it does not. Not in this year, not in the next year. It has no impact on the existing capital plan. As we've indicated from the start, this project, the Stanton Hospital and the fibre optic line are large, unique projects that are being dealt with outside of the traditional capital plan, which is focused on all the projects that have been on the list that have been reviewed extensively through the committee process. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Minister Miltenberger. Next on my list I have Mr. Bromley. General comments.

MR. BROMLEY: Thank you, Mr. Chair. I guess my concerns have ramped up annually based on the track we've taken, focus on infrastructure and money rather than people where the real potential for gains are. As I understand it from this budget and our current conditions, just starting with our current conditions, unexpected costs, \$50 million for forestry, \$20 million unexpected and unconsulted expenditures for further subsidies on electricity rates, \$40 million indicated in this budget for the Inuvik-Tuk highway, that's \$110 million that goes against our borrowing limit and burrows into our \$100 million debt limit. We need an infrastructure budget, Mr. Chair, that is embedded within our fiscal strategy, and that's the relevance here. These are of grave concern. How many years now have we heard the Minister say we're going to spend this, a lot, on infrastructure – this year over \$300 million on infrastructure – but next year we're going to return to normal, and we never return to normal. We continue to say, oh, yeah, no, we're going to go for it; we're going to bump up our borrowing limits and so on. There are really serious concerns about our approach and our capital plan in this case.

The Minister mentioned our net fiscal benefit from devolution which was negotiated at \$120 million a year and now it's \$113 million a year for a five-year average. This year, I understand, it's about \$80 million. This is all relevant to this budget. We didn't hear that that's the case. Then there's the population loss, all of which affects the money that we have available, the revenue from which we draw this capital budget.

When we are putting a capital budget together, we need to consider our fiscal strategy, where this fits in our fiscal strategy, and what we have is a record of significant events. This year there's \$110 million of unexpected. We don't know what it's going to be next year when we're entertaining this budget, but I would say we need to be conservative, based on these sorts of events. I don't see that happening with this. It's always the next year.

Again, previous years we've heard that the capital budget will be modest the following year. Again, we have an extraordinary 300-and-some million dollars, and that's before we start adding to that budget, which we know happens every single year, and we know for a fact that this Cabinet has other expenditures in mind that we're not able to see clearly and discuss, and again, this is not a great basis for being able to critique a capital budget.

Meanwhile, we're contemplating even more mega development with the Mackenzie Highway project. Again, what we're doing is lining up to leave all these huge commitments and gaps in ability to provide for these commitments for the 18th Assembly with our compliments. Not something that I'm comfortable with.

Certainly, the \$40 million on the Inuvik-Tuk highway, I think, again, that's precursor to this budget, so I'll leave that for another time. But there are huge issues that are not addressed in this. For example, despite the legal requirements to provide infrastructure as required by the courts for the Francophone educational system, the education budget remains at 2 percent, despite being something like 25 percent of our budget operationally. For the third year in a row, 2 percent of our capital budget for education. This despite the fact that we have schools like Sissons, 40 years old, needing tens of millions of dollars in renovations.

Again, this is not a complete budget. We know that. Either that or we're just accepting fines from the court or something. I don't know.

Again, this shows a focus on infrastructure despite the fact that Northerners have a record of achievement in the absence of infrastructure as long as they are given appropriate supports, and this government's approach is to throw money at infrastructure, particularly to try and attract mega development when we know the global economy is not there. This is not going to be realized, and there are good reasons for that. Things are being undermined in a whole systemic sense and those days are gone.

The Stanton Hospital P3 Project, I know I and certainly others are questioning the P3 approach particularly given the lack of real opportunity or opportunity for real input to the P3 process and particularly at decision points which are made without input by committee. I know committee, when we reviewed the P3 policy, it did have an opportunity for input then and we were not particularly happy with the outcome of that.

I think I'll leave it at that and anticipate providing other general comments during departmental discussions.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Bromley. Minister Miltenberger, any reply?

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I would like to thank the Member for his comments. I've been now in this Chamber with the Member, this is going on our eighth year and I just made note of one of his comments that I put quotation marks around. I never thought I'd hear him say this in the House, and maybe he'll say I've taken it out of context, but I was quite struck by his comment about how we have to be conservative. That's not something I would normally tie to the Member.

The question I would ask, and we have to ask, is: How do we build the territory, and what investments do we make, and what are those critical investments? We spend \$1.6 million on programs and services. We have a very modest capital plan

that we work hard constantly to supplement, and while the Member says that people are happy to live without any infrastructure improvements as long as we have programs, and sometimes you can't do one without the other as long as we put money into programs and services, well, we are putting \$1.6 million into services, and I can tell you, having been around this table now going on to my 20th year, that the capital plan is incredibly important, especially to those small communities outside of Yellowknife, all the communities outside of Yellowknife. I would suggest, in fact, for Yellowknife, because I've seen the intense lobbying for capital dollars in Yellowknife for Stanton, for elders facilities, for shelters, there is a significant interest. I would suggest to you, as well, that people, in fact, rely and expect the government to put capital dollars into play fairly across the territory.

What we are proposing here today was laid out four years ago, or three years ago – we're going into our fourth year here – where we laid out a fiscal plan. Two years of fiscal discipline. We'll manage our expenditures. We'll try to improve our revenues, and we'll look at beefing up the capital plan \$50 million a year in the final two years. We are honouring that commitment, that plan that we laid out and was accepted by the Legislature.

Yes, we didn't negotiate resource revenue sharing at \$120 million. That was the average at that time. We negotiated a resource revenue sharing agreement that says we collect 100 percent of the royalties. Fifty percent goes to the federal government, 25 off the top goes to the Aboriginal governments, 25 of what's left goes to the Heritage Fund, and the rest we put towards infrastructure and debt repayment, recognizing, as I said in my comments this morning, that's a very volatile area and it will continue to be, which is why we're keeping it out of the area of programs and services and building that expenditure into our base.

The Member said that there are other expenditures that we, the government, are not telling people about or the committee about, and I can tell you that we've laid out the issues in the capital plan, and we have got all the projects that we have on our to-do list laid out. We deal with issues as they occur. The \$55 million for fires, the \$20 million for the rate rider, the \$40 million because of the project in Inuvik is going ahead and hopefully at a faster pace than was anticipated and we want to keep it going.

We also do have resources built into our fiscal framework to resolve the issue with the Francophones and the schools in Yellowknife and Hay River. I would point out in Yellowknife we do have a situation that there is more classroom space than we have students. There are declining enrolments. We have three boards. We have more

school boards than makes sense, in my mind. There are inefficiencies. We have to figure out a way to put all that space to work and it's tied into the money that's available. So we have to have that discussion. We are hardly throwing money at capital. We fight hard, save hard, work hard to get every dollar we can so we can put infrastructure on the ground in all our communities.

The Stanton project is a big project. We have done a policy on P3. We are looking at setting up a P3 corporation building off of the work and concern and encouragement and direction from committee. While there may be questions about specifics, we have to look at this kind of approach because it allows us to do things we probably wouldn't be able to do without that kind of partnership approach, the same as the approaches we are taking with the fibre optic line that allows us to put critical, economic infrastructure on the ground in a way that's manageable and gives us an opportunity to make our dollars do the most work possible. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. Next on my list I have Mr. Moses for general comments.

MR. MOSES: Thank you, Mr. Chair. I think we can see there is a bit of a focus and trend that some of the Members are talking about and that focuses on fiscal management and responsibility specifically with our short-term borrowing issue. I heard some questions that were asked around that issue. One concern that I have is the risk that it puts our government at when we're having all these supps being brought before the government. With those supps, there are two big ones. I know there is one we knew was coming and that was on the news with the forest fires and that the government was going to have to take the costs on. There was another one with the rate rider issue, and the Minister alluded to another one in the amount of \$40 million.

I know we're talking about infrastructure, but there's a bit of a theme being discussed today. Having those supps come before committee and before the House, but very little notice of time to make the right decisions and have the good dialogue and discussion on whether we approve those or not. I just wanted to bring that up as an issue for me on how we're making decisions and spending the taxpayers' dollars, that when big amounts in supplementary appropriations are brought before committee, that we give enough time to have the dialogue and discussion so we can go back to our constituents and see how they feel about it, and residents of the Northwest Territories.

Earlier today the Minister made some opening remarks during his Minister's statement. He did mention that the fiscal reality is we do depend on the territorial formula financing. We also saw that

the NWT population decreased this year or last year by 0.5 percent. Roughly that's about \$6.5 million, I'd say. If we are looking at that as the fiscal reality of this government, that's something that needs to change, because that funding we use to put into infrastructure and programming.

So, just a few opening general comments to talk about where we are and some of the concerns I have as a committee member and how decisions are brought forward to our committee and concerned Members.

On the capital budget, we have some big, high-end issues coming down, the Mackenzie Valley Highway, the fibre optic link and Stanton Territorial Hospital. In the Minister's opening remarks, he did mention that we might be looking at a supplementary appropriation in February/March with this new Building Canada project. It's good to hear because it does take some ease off of some Members who have been really pushing for some of the big projects in the regions. It's not only for the regions; I think it will be something that benefits the whole NWT. When that appropriation comes in, I hope there is good discussion on where the priority dollars are going, what's going to be needed.

One thing we have had during our business planning sessions, also, is the flow and building of housing in the communities. I think we are going to see a lot of gain there for the small communities as well. I think there are going to be about 100 units over the next three years, starting last fiscal year. I think that's going to ease some of the waiting list and some of the public housing issues that we have in our small communities.

Highways is another big one. One of the other things I wanted to bring into focus in the community of Inuvik that I didn't really see in the business plan and no dollars allocated for it was the airport road from Inuvik to the airport. Every year there is always work being done on it and every year it continues to get into the same shape it was the year before. I want to see more dollars put in there, so the foundation is stable so we don't have to do repairs to it every year. Just last year the runway had an issue where no flights could come into Inuvik because there was a big dip in the runway. We put that issue into the planning stages when it was built years ago and how we are going to fix that. Just the airport itself, I believe the airport is the oldest building right now in Inuvik that hasn't seen any major retrofits, major changes, unless you want to count the time we had that big storm and the roof flew off.

---Laughter

I think the airport needs to be redone. I think it's on the books, but it is the oldest building in Inuvik.

We are in our third year and there are still concerns. Sorry, we are in our last year and we just

finished three years of doing this and we still get concerns from all the Members, whether they are small communities, regional communities or territorial communities. Those are some of my concerns, and I will have questions when we go through detail of the departments.

Right now some of the major concerns moving forward is our fiscal responsibility and management of how we are using our short-term borrowing dollars and what risk that puts the government at. Obviously, we have had some unforeseen costs, and what is this government going to do the next time an unforeseen expense comes our way? Are we going to be able to handle that issue when it's in our face?

So, just some general comments. Thank you, Mr. Chair.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Moses. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. With regard to the issue that the Member started his statement on regarding fiscal management and responsibility, we have, over the last eight years, managed our way through some extremely traumatic financial times, including the major downturn in 2007. As we have pointed out, we have still not rebounded from that, but we manage to navigate our way through those difficult times without any program cuts or layoffs and we continue to invest in capital.

We give, in every case possible, as much advance notice as we can. For example, when the fire season was going, we sent out correspondence indicating we are going to need special warrants. I do appreciate that we didn't have the exact number of \$40 million for the Tuk-Inuvik highway or Inuvik-Tuk highway. While we had flagged it, we did not have the number that would make it a very specific and focused discussion. As soon as we got that number, we came before this House. That is a project of territorial significance. We do recognize and we have a plan that's going to carry through the life of this capital plan that's before House and then next year, the year after that, sorry, at this point the intent is, and the plan is, for the capital plan to go back down to \$75 million a year, which everyone will discover, once again, how little money that is for the \$3 billion infrastructure deficit that we do have.

The Building Canada Plan Fund, we're just waiting for some final numbers. We have briefed committee and I would indicate to the Member that in regard to the road, the terminal building and the Dempster, those are all projects that have been identified as we've laid out to committee. We're just waiting for the numbers and how the money will be spread around, but very clearly in the Inuvik region in the Member's constituency those are some of the

priority projects that are there to be addressed. I do thank the Member for his comments.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. We have a little bit of time left on the clock. Mr. Moses. Thank you. Moving on with general comments, I have Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. I have many comments. It's hard for me to put them into sort of a cohesive commentary, but I'll do the best I can. There have been a lot of comments in the last couple of days. We heard from the Premier yesterday in his sessional statement, we heard from the Finance Minister earlier today in his statement, we've got the opening remarks from the Finance Minister, we've got comments that have been made by members of Cabinet over the last month to two months to three months about expenditures that we will have to endure, I guess, for lack of a better word. I am seriously concerned that our fiscal strategy is in peril. Basically, I think it's gone out the window.

There has been reference to some of the work in terms of energy and so on, and reference to things that we were working on four years ago. We were working on energy stuff four years ago and we have spent millions of dollars in the past four to five years, basically to no avail. We do not have any projects that will give us more generation and/or will give us greater transmission capabilities and I appreciate that we have to do some research, I appreciate that work needs to be done, but I think, for me, it's symptomatic of whether it's too narrow a view or whether it's looking too broadly and not looking behind to see what it is we've left behind. But we tend to spend money and it doesn't seem to be a problem.

Admittedly, the fire season was definitely something that was out of the ordinary, but we should be prepared for extraordinary circumstances like the fire season that's costing us around \$55 million. On top of that, within the last month, month-and-a-half, we've been advised that we're going to spend an extra \$20 million to reduce our power rates, and I'm all for that, that's great, I don't want to pay any more for power than I am already, but where is that money coming from? It's not part of our fiscal strategy and I don't believe that it's something that we had waiting in the bank for us to spend. So I'm quite concerned that our fiscal strategy is being impacted by recent decisions and by recent circumstances like the fire, and that albeit we have a strategy, I don't think the decisions that we've been making have been made in light of our fiscal strategy and in light of our finances. It's mentioned several times; I think the Minister's opening remarks stated that we have limited fiscal resources. Yes, absolutely we do and I know we have a big, long list of infrastructure needs, but

again, I'm concerned about the decisions that we're making.

A statement this morning, the Minister said we cannot rely on receiving resource revenues from the same sources forever, and that leads me to my second point, which I think I've mentioned every year, it doesn't relate specifically to infrastructure, but we do not seem to have any appetite to go after a new source of revenue. If we don't have any new sources of revenue then we are bound to keep our infrastructure budget low, presumably low, but to keep our infrastructure budget down to what apparently, according to our fiscal strategy, is acceptable. Again, I have a problem with the fact that we are within our fiscal strategy.

It's stated in one of the statements within the last few days that we're not going to increase taxes. I think it may have been the Minister this morning and that that commitment was made four years ago and we're not going to change our mind. Well, circumstances change and if we lock ourselves into something that's four years old and the circumstances change so that it's a different set of circumstances today, surely to goodness we should open the box and consider whether or not we should change the decision we made four years ago. I have a difficult time that we will forever, at least until the end of the 17th Assembly, say we're not going to do anything about taxes, we're not going to increase taxes, we're not going to increase taxes.

Just in general, I look at the summary of our infrastructure investments in the tabled document that we just received and between the current year's capital estimates, which is \$222.7 million, we've now in 2015 capital estimates gone up to \$277.9 million. So some 55 to 56 million dollar increase, and if our resources are as limited as we are led to believe, why did we maintain our capital budget at an extra \$50 million? I know it's because we have all kinds of needs, but if our needs are needs in terms of financing and the fiscal strategy override putting money into infrastructure, I think that's something we ought to be looking at. It's a question which I don't think we were even given an opportunity to consider. We were simply informed that the capital estimates would be \$125 million.

The focus in this budget, for me, is weighted too heavily on economic development and on transportation projects. The highways and winter roads is \$108 million out of our \$277.9 million. That's over a third, or equal to a third, and that's too high. Like Mr. Bromley, I believe that we put too much money into projects, which presumably are going to assist us with economic development, and we've put not enough money into infrastructure, which is going to assist our people. I'm thinking about schools, I'm thinking about health structure, and I know there's some money in there, but I don't

think the same emphasis is on those kinds of infrastructure investments as it is in highways and economic development.

A couple of things; the Stanton project is absolutely necessary, it needs to be done, but I am quite concerned that we seem to be committed to a P3 route. What little research I've done on P3s for hospitals doesn't show me positive results. It's totally a mixed bag, and I would say I saw more negative results from P3 projects for hospitals than I saw positive. I'm a little regretful that Regular Members didn't have an opportunity to have greater input into the decision to go P3. We were presented with it, but we didn't really have an opportunity to consider and to grow that advice or our own opinion as to whether or not P3 was the right way to go.

The other thing I wanted to mention, and what I see as a lack in the budget, is infrastructure for housing, and I know there's a lot of money in housing, but I don't know that we are targeting the money for housing the way that we should. I'm particularly concerned for housing for seniors across the continuum from supported living right through to absolute extended care. It's a huge issue here in Yellowknife and I want to say, as an aside, that Yellowknife facilities do not just serve Yellowknife residents, they serve the territory, and I take a bit of an offence by the Minister's response that Yellowknife lobbyists get things for Yellowknife that seem to be only for the benefit of this city. That's not true in the least.

The other thing that we don't have and it's a policy that we have not to increase our public housing units. Again, that's an issue here in Yellowknife, the wait list for public housing is huge, but we heard earlier this morning the wait list for public housing is huge also in other communities. I think it was Mr. Blake who was commenting on that. Yet we have a policy that we will not increase our public housing numbers, but we have many, many residents who need access to public housing, and specifically single people are at the bottom of the list and forever stay there. They never get to move up.

I just have a couple of questions. One question has to do with the borrowing limit. We have been told over the years that we want to maintain a \$100 million cushion between what our borrowing limit is and what we actually borrow. I'd like to know, at this point, with all the changes in our fiscal strategy that we are expecting or have so far undertaken, where are we at with our borrowing limit? I'm presuming we're going to go over it, but I'd like confirmation on that.

My other question has to do with the reserve. We set up a reserve with both our operations budget and our infrastructure budget. I'd like to know, and I guess this is a this year question, but where are we at in terms of the reserve for '14-15 infrastructure

budget? I'm presuming, again, that that's all used up and that we are well in the hole.

CHAIRMAN (Mr. Dolynny): Thank you, Ms. Bisaro. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. The Member commented about the millions that we've spent, and we have, since the last government. In the last government I think we earmarked about \$60 million, and this government has continued to spend additional millions on things like biomass, solar, wind, looking at other alternatives, energy conservation. We've spent money probing out the issues tied to the connecting of the Taltson grid and the Snare system with an intertie to the south. We took the approach that if we created a market for biomass, which we have done both with our own facilities and with the public through the rebates and incentives that we've put there for people to take advantage of, plus benefiting from the high cost of fuel which has given people an even greater incentive, that once we built that market we would build an industry, and we are in the critical final stages for us to be working with Aurora Pellets to conclude the agreements that are necessary to allow the development of a biomass industry in the Northwest Territories that will meet the energy needs on a biomass basis for the Northwest Territories, and that's a \$20 million project. It's going to bring jobs. It's going to bring all sorts of affordable energy to people in the Northwest Territories. We continue to look at things, net metering, standby charges as it comes to solar, the charrette that we're coming up with in November. As the Premier indicated, he is going to allow us to focus not on the transmission side, which is too expensive at present, but on the generation issues and options that are there and the need to continue to invest, as a government, in that type of area. We've heard it now clearly across the Northwest Territories and in this House. The cost of living, energy is one of our biggest costs. We can't turn our backs on a need to invest in energy. We're going to, in fact, continue to invest, hopefully, even greater amounts to deal with some of these critical issues.

The Member made a comment about the impact on our fiscal strategy, and yes, as we reported to Cabinet, these issues like the fires, like the rate rider, to name two, have an impact on our fiscal strategy, but we still have built in the flexibility to manage those, though we are now slightly under the \$100 million cushion that we had set for ourselves. The job of government is to respond both to what is planned and things that happen that we may not necessarily control, and by dint of our hard work collectively in terms of fiscal discipline, we've built in that flexibility, and I can assure the Member that all our decisions are made very clearly looking closely and constantly at our fiscal strategy, our borrowing room, long-term impacts, how do we

manage all these things, all these various demands.

The Member says we should raise taxes, don't spend so much on economic infrastructure, continue to invest more in programs and services. To me, it's something of a conflicting message. We need to invest in economic infrastructure. I think we've got a lot of money of our \$300 million plus the Stanton Hospital and the fibre optic line that are not roads, but I could make the strong case on the fibre optic line that it has huge impacts on education and health among other things. But we need to hit that balance. We can't turn our back on the need for economic infrastructure. We rely on our territorial formula funding to be sure, but we still generate 25 percent or so of our own revenue.

The world is still in very shaky economic times, and increasing the tax burden at this time, as we've said in previous government, is not a time to add to that burden when we know that there are other things we can do to manage our way through this, and if we want to, in fact, incent people to come here, businesses and people, and we want to affect the cost of living, increasing our tax burden on people that live here seems to be somewhat counterintuitive.

Why did we keep up with the capital plan of \$50 million? Why did we not just cut it back? We laid out a plan four years ago. We revisit it every year, and there was no indication from anybody or committee, any committee, that said we think we should cut the capital plan by \$50 million. We would have had a very interesting discussion about that, but that was never raised as an issue. We all agreed with the plan. We had done the work to make it a reality and we are following through on that.

The issue of the Stanton P3, we can have those discussions. There have been discussions now for years with committee about P3s and Stanton, and we've charted out a path that allows us to, in fact, get that done and expand Stanton by 40 percent and upgrade the rest of it to 21st Century standards, and we've got to do it in a way that's fiscally manageable.

I'll leave the detailed questions on housing in regard to seniors and public housing for especially singles, as the Member pointed out, to our Minister McLeod. I would point out, though, that we're still continuing to deal with the very significant pressures of the declining CMHC investment in the Northwest Territories and across Canada in public housing.

We have indicated that for the \$40 million for the Tuk-Inuvik highway that that's part of the project that has already been laid out. There's a need, just for the sake of erring on the side of caution, increasing our \$275 million limit to \$300 million so that we can cover that off, even though we believe we can do it with the existing limit but then we'd

have no flexibility at that point for short-term borrowing, which means it will be paid off as soon as April 1st hits and the budget is approved.

Our borrowing limit right now, the discussions are still proceeding with the federal government. With the \$800 million borrowing limit, we're slightly less than \$100 million that we were keeping as a cushion to give us maximum flexibility for unexpected events.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. Continuing on with general comments, I have Mr. Bouchard.

MR. BOUCHARD: Thank you, Mr. Chair. My question is good news or bad news, which do you want to start with? I'm going to end on a positive note, so I'll start with the bad news, I guess.

Just like the Members here have indicated, I would have the same and similar concerns about our fiscal plan going forward. The government has spent a lot of money on fire suppression this year. Now we're talking about an accelerated plan for the Tuk to Inuvik highway, which in one way is a good news story. We're getting the project done quicker, but how do we afford that speed and, I guess, what gets run over by doing it faster? The problem that I'm having with these big projects is the fact that we do them, and we try to keep them on schedule or ahead of schedule, and then contractors and northern benefits get run over. When we approve these projects we think, okay, well, we're going to have a major project for the Northwest Territories that's going to have economic benefit for the region, for the territory. Now we accelerate it. How much more employment is there? How much more contractors or equipment has to come out of the South in order to handle that short-term acceleration? I am very concerned with that, Mr. Chair.

Mr. Bromley indicated education and the low volume of capital expenditures there. We have limited expenditures in that area, especially when people are seeing the government spending \$20 million here, \$40 million there. Yet some people are trying to ask for money to upgrade, not a school, but upgrade community health. Mr. Menicoche talked about that a couple of days ago. Everyone is comparing our activities to our expenditures. Every time we hear someone saying why can't we fund a handivan when we just gave \$20 million for a rate rider, we've got all kinds of people asking questions about that type of expenditure when we spend big amounts of money at the drop of a coin. Yet people have been begging and pleading for stuff to be on the red list for years, then we go and do major expenditures. It fits into our fiscal strategy all of a sudden. It fits into our \$100 million buffer miraculously, Mr. Chair.

One of the other areas of concern are the French schools. We have a French school and we're going

to court. One of the biggest expenditures is putting gymnasiums into these facilities. Yet we can go ahead and spend \$20 million or \$40 million. We divide communities and school boards against each other for the minimal amounts of upgrading the French schools.

Obviously, I have concerns and questions about the air tanker upgrade. What announcements have we done? What are the costs currently? Have we looked at a phase-out approach or are we just going to go out and buy a whole bunch more new units and figure that's going to be our solution, not knowing what those new units are going to work like? Is there a phased approach we can look at? I would be interested in hearing some of the debate on what the department has done there in ENR.

I guess on a good note, it is good to see us investing back into the territory. The capital budget has more economic development, I would think because we are going to spend more, but again, I am concerned about that accelerated process of a couple of those projects.

It is good to see us investing in chipsealing the highways. There are several roads in my riding where it's an opportunity, an opportunity to see more tourism. Mr. Menicoche talks about Highway No. 7. We're looking at doing some stuff there and looking at doing several highways. I'm looking forward to that.

Obviously, it's good to see us putting into the health facilities throughout the Territories. We are completing the large-scale project in Hay River. The mistake of this government not putting in extended care beds into Hay River when they are taking them out of the existing facility is being alleviated by this current budget coming up. So those are some of the positive sides.

Deferred maintenance is dropping. The department indicated to us that maintenance that we haven't been doing has been dropping.

It's good to see us putting more money into our parks. In the South Slave, we see a lot of road traffic, and those facilities are very important to tourism.

I guess those are general comments, Mr. Chair. We will have specific questions on each department. Those are some of my concerns and some of my appreciations. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Bouchard. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: I thank the Member for his comments. His concern about can we afford to accelerate the Inuvik-Tuk highway and the potential lost employment and extending it out over the year, the bottom line concern about the project is to get the job done. We want to keep it to budget, \$299 million I think is what the budget is.

The reason we went to a negotiated contract was to maximize the involvement of local contractors and local employment, which the project is delivering, I believe, in spades. But at the end of the day, it's not a social program. The concern is to get it done. If we can get it done in three years, keep everybody employed going flat out and end up with a project that's on budget, then I think we'd all be happy. If we deliberately let it run out an extra year and run up our costs over and above the \$299 million, we would be having a whole different discussion in this House about cost overruns and why did we do that and we should be managing this project properly. So we are focusing on making sure we maximize all the northern benefit we can, and if we can do it in three years, and it's the contractor that has come forward with that work schedule based on his and our collective experience, we think it has value.

The issue of limited expenditures in education, if you did a 10-year longitudinal look at the capital plan, I think you would see that there has been, over time, a very equitable sharing of expenditures. In the last government, I can remember the extensive, intense discussion about the big school, super-school, in Inuvik, which at that time was before the bridge, was one of the biggest capital projects we had going, plus all the other school work that has been done across the land. So it's very difficult to look at one capital plan for one year and make a determination that somehow one particular area over another is getting shortchanged. If you take the long-term view, I think we can make the case. Overall, we manage to address the needs of all the areas of our responsibilities.

As I indicated as well, there are resources to help sort out the issue with the French schools. My understanding is there are still discussions going on, but there are resources built in to help resolve that.

The air tanker upgrades, to me, especially after this last year, are critical. It's in the neighbourhood of \$27 million. That number was made clear. We've briefed committee, this government, last government. We have going on its way to committee, all the detailed reports we've done in the last seven years on this issue. These air tanker upgrades, we know that the planes can do the work that's necessary. We have watched them now under real life battlefield conditions here and we've seen them operate down south. We have some very significant problems with avgas and accessibility. It's got lead; it's being phased out. The tankers we have are older than most of us. Currently, the 215s are older than most of us sitting in this room. An upgrade of those tankers would cost about \$120 million and it's not a cost that I could, in good conscious, or we as a government, in good conscious, could bring forward. We are convinced that this is a critical way to go. We have

to get in a queue. It's going to take years to get these planes made and we need to be prepared. If the new normal, God forbid, is what we saw last summer, then we are definitely going to want to make sure we can assure the people of the Northwest Territories that we have the tools ready for the people, men and women in the air and on the ground, the thin line that protects us from the ravages of forest fires, that they are properly equipped to defend our interests and make sure that they protect their safety while they're doing that.

I appreciate the Member's comments about the things he does see as positive. The issue of highways are good. It's a challenge. The roads are important. Some of us, our communities have no roads, and they remind us of that constantly as we talk about the investing in highways, but they are critical infrastructure for accessibility and economic development.

We are doing the job necessary, I believe, with committee assistance on health facilities. We, too, share an ongoing concern about deferred maintenance and not letting it get built up on us to the extent where it has in the past where it becomes a crushing burden and starts eating up all our capital. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. Continuing on with general comments, I have Mr. Blake.

MR. BLAKE: Thank you, Mr. Chair. Just a few comments on our capital budget. To start off, as I mentioned earlier today, a huge need for housing. I know we've done a good job over the last number of years replacing units, but as I mentioned, we now need to focus on adding, because our communities are growing. That's one of the things the Finance Minister wanted to see in future years. So I think we need to prepare for that as we move forward and ensure that the people that move back have a place to stay.

Also, in other communities, for example, replacing units that have been damaged whether it's due to fire, for example, in Tsiigehtchic a couple of years back a single unit duplex caught fire. Since then, it's been sitting there. I think you need to replace that, as there is a demand for housing in that community as well.

Also, we're talking highways and I know last year the plan was, as we moved forward with the Inuvik-Tuk highway, that we'd prepare the Dempster Highway. Over this past year there hasn't been any work done on the construction aside from minor repairs. We do need to continue that. I know we are awaiting that Building Canada Plan and I can't wait to see that move forward. A lot of people depend on that work, upwards of 50 people every summer.

Other areas as well, the Department of Transportation is thinking of upgrading one of their loaders, which is a 1976 loader. I mean, that's almost 38 years old. For the same cost of purchasing a brand new loader and I don't see the reason for upgrading such an old piece of equipment because the value will not be there in the next five years.

Also, as we move forward, I'm very glad to see the extension of the ferry services in Tsiigehtchic, but the community, the people that live up there know that we need a new ferry. Whether we purchase a new one or do the proper maintenance to the Merv Hardie and have it moved to Tsiigehtchic, because that Louis Cardinal is not built for operating into December, even though it did make a few trips last year. People that have worked up by Fort Providence know that this ferry is more adequate for our region and we really want to see that in place for next year.

With that, those are the few comments I have here today. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Blake. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I appreciate the Member's comments, the overall support. I'm not wanting to look like I'm just pushing off his issues, but he has made some very specific comments about new units, burned units. I'll leave those for Minister McLeod.

The issue of upgrading a 38-year-old loader as being too old, at 63 I get really sensitive about replacing things that are too old, but the Minister of Transportation will deal with that issue in detail as well as the discussion about the ferry.

The good news is, as we've pointed out previously to Minister Moses, with the Building Canada on an ongoing basis for the next number of years there's going to be...

---Interjection

HON. MICHAEL MILTENBERGER: Sorry, Mr. Chairman, if I've misstated titles. I thought I said Mr. Moses. The Member, Mr. Moses, said about the Dempster Highway, raising that concern, I just wanted to confirm that, in fact, with the Building Canada Fund there's going to be some fairly significant money on an ongoing basis to address that issue. We're also intending to be able to address the road from the airport into town in Inuvik as well as that airport building.

So I thank the Member for his comments. We have all the pieces in place; we're just waiting for the final signed agreements on the Building Canada Fund. That will be rolled out as we brief committee, and hopefully that will address a lot of the issues. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. There's a bit of time left on the clock here, Mr. Blake. Any other comments?

MR. BLAKE: Thank you, Mr. Chair, and I thank the Minister. It sounds very promising. While we're at it we could add in the Willow River. We're still waiting to build a road up there. The community is still thinking of actually connecting to the Dempster Highway in the near future, and they feel that that can cut costs for freight and also to fly into other communities.

One more thing was the extension of the ferry. The Minister didn't reply to that yet with the Louis Cardinal, possibly moving the Merv Hardie down there. We're really looking forward to that and hopefully that can happen within the year. With what it did cost last year to operate, we could have fixed the Merv Hardie to 100 percent. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Blake. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Just quickly on a couple of the items. I understand the bridge for the Willow River is in Inuvik just waiting to be hauled over to Aklavik so it can be put in in the coming year. So, very timely as you think about it.

The extension of the ferry or the changing of the ferry, I think that's a discussion you'll need to have with Transportation. My understanding is there is significant differences in the ice and how hard the ice freezes up north as opposed to much softer ice and the way it freezes down on the Mackenzie at Providence, but the Minister is listening closely and he and his officials will be able to have that much more informed discussion with you than I could ever hope to provide to you. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Miltenberger. Continuing on our questions on general comments, I have Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chair. I'm going to have to check Hansard, but what's not in the capital budget the last five years is the Trout Lake stand-alone school, so I'll continue to press that matter. Earlier today in the House, or yesterday, I believe there was a commitment towards the planning studies. So, certainly the community looks forward to it and working with government to find a resolution to a stand-alone school without giving up the need for a community centre, which is valuable for the community of Trout Lake.

Also, I see in the budget there's two level B, or level B/C health facilities being constructed, and there's certainly the need to replace the one in Fort Simpson, and myself and the community have been trying to get some certainty around exactly when this health centre will be built. Certainly, like I said, it's not in the capital plan, but the planning study is

well underway and the community has yet to be engaged, and for something as significant a capital expenditure of this, the community has to be engaged. So I look forward to answers to that.

As well, another area where I've been pounding the table, of course, is expenditures on Highway No. 7, and I'm pleased to see there are contributions towards Highway No. 7 in the capital budget. I've always made the case that Highway No. 7, especially for the community of Fort Liard, they use that highway a lot to make a living and I'd certainly like to see continued investment in Highway No. 7.

Also, something new is the smaller communities in my constituency have been leasing older buildings for health centres. I'm pleased to see that they're moving towards expenditure of building and the government will build a new health facility in the community of Jean Marie, and the other communities, Trout Lake and Nahanni Butte, are certainly looking to have theirs replaced. They're older and dilapidated; they've got, actually, some health issues with wildlife and ant infestation problems. So it's certainly good to have a look at that.

Also, I know that we've got quite an injection into housing and affordable housing units as well as public housing stock. It's an ambitious program there. So I'd certainly like to see every effort expended in completing those projects that are slated for the 2015-16 construction year and getting them off the ground early.

With the potential Inuvik-Tuk highway increase of expenditures, I really think that we should stick to what's planned. I know that we've got negotiated contracts with people up there that want to work hard and create this highway as quickly as they can, but I really believe that we're going down the wrong road by trying to expedite it, especially when they're asking for \$40 million for this fiscal year. Not the next one, but this one, and I'm concerned about that because I believe it will impact the regions, and the communities' ability for capital spending may be affected, because we're so close to the short-term borrowing limit as it is, and I think if something goes wrong with government planning, I'm afraid that they'll have no choice but to stop some of the projects that are slated for the regions and slated for the communities to make up this shortfall.

The Members have spoken about, I don't know if they're unforeseen, but government has seen some of those expenditures that have yet to come, and that will certainly impact our short-term borrowing. I really feel that because of our procedures and guidelines and strict spending guidelines by the Financial Management Board act, that the regions and communities may have to suffer as a result of being so close to the short-term borrowing limit and our debt wall as well. Once again, I think the

communities might suffer because government wants to accelerate one project and/or other needs.

That's my serious concern about community projects being delayed. Even though we're talking about capital, I think it also, in a large part, affects our operating and maintenance as well. I'm concerned about that because there are other needs in the O and M that I've certainly been asking about, like extra nursing in Wrigley, certainly to the small communities about reviewing the New Deal and how do they manage their communities. Those are my concerns right now.

CHAIRMAN (Mr. Dolynny): Thank you, Mr. Menicoche. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Once again, I think the Member for his comments. Some of the items that he has raised, clearly the Ministers of Education, Health and Transportation will be ready to have those detailed discussions.

I understand that the plan is to issue for the Fort Smith Health Centre some RFPs to be issued here sometime in the fall of 2014. I believe that things are proceeding at pace on that one.

As the Member pointed out, there is money put aside or identified, fairly significant money over the next few years for Highway No. 7. The Inuvik-Tuk highway, we'll once again have that discussion. It has been raised now a number of times. I just want to restate that there is going to be no impact on other projects. The short-term borrowing is paid off at the start of the fiscal year. The longer term borrowing which we've used for the fire season and other issues, I mean, we're managing that, but it's slightly below the \$100 million. I just want to, once again, reassure folks that that Tuk-Inuvik highway money, if it's moved, will not negatively impact any other projects.

I thank the Member for his overall comments, and I'm sure the Ministers will be ready for his questions about other O and M program issues that he has of concern in regard to health and education that he's outlined. Thank you.

CHAIRMAN (Mr. Dolynny): Thank you, Minister Miltenberger. Does committee agree that we've concluded general comments?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Dolynny): Thank you, committee. With that, I will ask Ms. Bisaro what is the wish of committee.

MS. BISARO: Thank you, Mr. Chair. I wish to report progress.

---Carried

CHAIRMAN (Mr. Dolynny): I will now rise and report progress. Thank you.

Report of Committee of the Whole

MR. SPEAKER: Can I have the report of Committee of the Whole, Mr. Dolynny?

MR. DOLYNNY: Thank you, Mr. Speaker. Your committee has been considering Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016, and would like to report progress. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you.

MR. SPEAKER: Thank you, Mr. Dolynny. Do I have a seconder to the motion? Ms. Bisaro.

---Carried

Item 22, third reading of bills.

Before we close for the day, I just want to congratulate my executive assistant, Nina Larsson, on the birth of her baby boy who was eight pounds, one ounce.

---Applause

Everybody have a good weekend. You had a good first week. Mr. Clerk, orders of the day.

Orders of the Day

CLERK OF THE HOUSE (Mr. Mercer): Orders of the day for Monday, October 20, 2014, at 1:30 p.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Acknowledgements
7. Oral Questions
8. Written Questions
9. Returns to Written Questions
10. Replies to Opening Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and Other Matters

- Committee Report 7-17(5), Report on the Development of the Economic Opportunities and Mineral Development Strategies

- Tabled Document 115-17(5), Northwest Territories Capital Estimates 2015-2016

21. Report of Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Monday, October 20th, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 1:54 p.m.

