



NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

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The Honourable Tony Whitford, Speaker

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YELLOWKNIFE, NORTHWEST TERRITORIES

MONDAY, FEBRUARY 19, 2001

Members Present

Honourable Roger Allen, Honourable Jim Antoine, Mr. Bell, Mr. Braden, Mr. Delorey, Mr. Dent, Honourable Jane Groenewegen, Honourable Joe Handley, Mr. Krutko, Mr. Lafferty, Ms. Lee, Mr. McLeod, Mr. Miltenberger, Mr. Nitah, Honourable Jake Ootes, Mr. Roland, Honourable Vince Steen, Honourable Tony Whitford.

ITEM 1: PRAYER

-- Prayer

SPEAKER (Hon. Tony Whitford): Mahsi, Mr. Lafferty. Please be seated. Mr. McLeod, on behalf of the Members of the Legislative Assembly, I would like to extend our condolences on the passing of your father. Our best wishes to the family are extended as well. Orders of the day. Item 2, Ministers' statements. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 50-14(3): Return of Non-Insured Health Benefits Program to the Federal Government

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I would to address concerns raised by some Members of this Assembly about the proposal to return administration of the Non-Insured Health Benefits Program to the federal government. I appreciate that Members are very concerned about the impact of any change in program delivery on the quality of health care services provided to their constituents.

The Non-Insured Health Benefits Program is a national program funded by Health Canada, which provides specific benefits for status Indians and Inuit. Health Canada determines the type and extent of benefits that will be covered. Benefits under this program include specific drugs, dental work, various equipment and supplies required for medical treatment, vision care, eyeglasses, and co-payments for medical travel.

When the responsibility for health was transferred from Canada to the Government of the Northwest Territories, our government agreed to administer this program for the federal government. We provide the services directly to status Indian and Inuit residents and recover the costs from Canada through monthly billings.

This arrangement worked for several years. However, over the past few years, our government has been losing money. Health Canada has been disallowing a number of our claims. In other words, we pay the full costs up front, but when we send the invoice to Canada, they do not always reimburse us for the full amount. This is due to a number of reasons, including changes to the national NIHB policy by Health Canada and differing interpretations of the terms of the agreement.

In addition, our agreement with Health Canada has not provided sufficient funding to cover the administrative burden of delivering this program.

We estimate that our government loses about \$1 million each fiscal year through a combination of disallowances and unfunded administrative costs. The department has attempted to resolve these issues through discussions with Health Canada. However, no resolution was reached and we have become increasingly frustrated with the time and resources spent trying to recover our expenditures under the program. For this reason, Cabinet and the Financial Management Board directed that the Department of Health and Social Services should not renew our agreement to administer this program for Health Canada. The department's main estimates have been reduced by \$5.5 million to reflect this decision.

Mr. Speaker, let me be absolutely clear about one thing. We are not "giving this program" back to Canada. Authority for the Non-Insured Health Benefits Program was never transferred to this government. All we are proposing to do is to get out of a contractual administrative arrangement that has resulted in our government subsidizing a federal program to the tune of \$1 million per year.

Health Canada was advised in October 2000 that our government would cease to administer the Non-Insured Health Benefits Program unless satisfactory arrangements could be made to ensure that our government would not be footing Health Canada's bills. Since then, the two departments have been working closely together to try to resolve the outstanding issues.

Mr. Speaker, over the weekend I received an update from my staff on their most recent discussions with Health Canada. I am pleased to report that Health Canada has agreed to compensate us for \$800,000 of disputed billings, and is currently reviewing a further \$700,000 worth.

Health Canada has also agreed to consider providing the Government of the Northwest Territories with additional administrative funding. We are still negotiating the details of such an arrangement. However, let me be clear -- we want full compensation for the costs of administering this program.

If we are able to reach a satisfactory arrangement, I will be recommending to Cabinet and the Financial Management Board that we enter into a vote 4-5 arrangement to deliver the Non-Insured Health Benefits Program for one additional year. During this period, we would monitor program administration very closely to ensure that the terms of the agreement and the funding received are sufficient to cover the full cost of administering the program.

Mr. Speaker, I am hopeful of a successful resolution of our discussions with Health Canada, and I will continue to keep Members apprised of our progress. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Madam Groenewegen. Item 2, Ministers' statements. The honourable Minister responsible for Education, Culture and Employment, Mr. Ootes.

Minister's Statement 51-14(3): Heritage Day in the Northwest Territories

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, today is Heritage Day in the Northwest Territories and across Canada. Each year, the Heritage Canada Foundation encourages Canadians everywhere to set aside the third Monday in February to celebrate our heritage. The theme this year is Travel Through Time: The Heritage of Transportation.

Transportation has played a significant role in shaping society in the Northwest Territories. Long before Europeans arrived, aboriginal people developed the knowledge and the technology to travel across vast and rugged landscapes. This made life easier and ensured survival in a harsh environment.

The original aboriginal methods of transport -- the dog team, the kayak and the canoe -- were adopted by European explorers, traders, missionaries and police who came to this land. Later, paddle wheelers, cat trains and bush planes helped to make the North more accessible. Today we have an extensive network of all-season and ice roads. Most of our communities have airports. Many northern communities are supplied by barge or seallift.

Mr. Speaker, we in the Northwest Territories welcome the benefits that the evolution of transportation has provided over the years. Our communities are much less isolated than they once were. Technological advances in the transportation industry have opened up many areas to mineral exploration and development. Transportation will continue to play a pivotal role in shaping our future.

Special events have been planned throughout the week to remind us of the importance of our transportation heritage. Earlier today, the City of Yellowknife Heritage Committee presented their annual heritage award to the Yellowknife Seniors' Society Book Committee for their recently published book *Yellowknife Tales: Sixty Years of Stories from Yellowknife*. The city has also planned a series of other activities that will take place over the course of this week.

The Department of Education, Culture and Employment and the Department of Transportation are jointly hosting a public event on Thursday, February 22, at the Prince of Wales Northern Heritage Centre about the making of ice roads. I am sure that my colleague, the Honourable Vince Steen, Minister of Transportation, joins me in encouraging everyone to attend. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Minister Ootes. Item 2, Ministers' statements. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Minister's Statement 52-14(3): Recognition of Long-Serving Northwest Territories Physicians

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, on February 9th, 2001, a very special event was held in the Great Hall of our Legislative Assembly. For the very first time, our government publicly recognized and honoured

physicians who have served the people of the Northwest Territories for five years or longer.

The first annual physician long-service awards were presented to the following 12 physicians with five years of service:

- Dr. Angela Carruthers
- Dr. David Cook
- Dr. Andre Corriveau
- Dr. Malcolm Goff
- Dr. Michael Haskins
- Dr. David King
- Dr. Marie-Claude Labeau
- Dr. Eileen Peters
- Dr. Roger Purnell
- Dr. John Shillington
- Dr. David Unger

Nine physicians received awards for ten years of service:

- Dr. David Butcher
- Dr. James Corkal
- Dr. Abraham de Klerk
- Dr. Ian Gilchrist
- Dr. John Giovanetto
- Dr. Theresa Hansen
- Dr. John Morse
- Dr. Suzanne Perkins
- Dr. David Wong

Three physicians received awards for 15 years of service:

- Dr. Nicole Chatel
- Dr. Nancy Fraser
- Dr. Leonard Smith

Three physicians received awards for 20 years of service:

- Dr. Rita Dahlke
- Dr. Pierre Lessard
- Dr. Margaret-Anne Woodside

There were also three physicians recognized for 25 years of service:

- Dr. Perry Caplan

- Dr. Peter Kallos
- Dr. Ross Wheeler

Finally, there are two physicians, Dr. George Gibson and Dr. Earle Covert, who have each given the Northwest Territories 30 years of service.

Mr. Speaker, together these 32 physicians have provided over 390 years of medical services to the people of the Northwest Territories. People in small communities will recognize many of these names as these are the same doctors who have been providing visiting physician services for many years and who attend to medevac patients upon arrival in regional centres. Yellowknife doctors provide inpatient and emergency services at Stanton Regional Hospital, which serves all residents of the Northwest Territories. A stable physician work force results in better, more reliable hospital services for all patients from across the Northwest Territories. Although we still struggle to recruit and retain physicians, it is important to pause to recognize and thank this solid core of over thirty dedicated doctors who have chosen to establish their home and their careers amongst us. They are our neighbours and friends and valued members of our communities.

The Physician Long Service Awards Ceremony also recognized the important contribution made by physicians' families. The patience and support of the physicians' spouse and children is essential to be able to make the personal sacrifices that are required when doctors are on call after long days in clinic, or when they agree to provide much-needed visiting physician services to outlying communities. To the families of physicians, we also extend our thanks.

The ceremony also provided an opportunity to highlight another first: the announcement of two medical school bursaries, named in honour of two long-serving Northwest Territories physicians, Dr. George Gibson and Dr. Earle Covert.

It was a great honour for me to present the Dr. George Gibson Medical Bursary to Mr. Michael Parkins, who is currently enrolled in first-year medicine at the University of Calgary. A graduate of Sir John Franklin High School in Yellowknife, Mr. Parkins has already had an outstanding academic career. He achieved his Masters of Science degree on full scholarship. The medical school bursary awarded to Mr. Parkins has a value of \$75,000, which covers four years of medical school and two years of internship. On completion of his medical studies, Mr. Parkins will provide four years of service to the Northwest Territories in return for his bursary assistance. It was especially appropriate that Mr. Parkins would receive the Dr. George Gibson bursary, since Michael was delivered by Dr. Gibson at the old Stanton Hospital.

A second medical bursary, named after Dr. Earle Covert of Hay River, has also been established and will be awarded next year.

We were also honoured to have the president of the Canadian Medical Association, Dr. Peter Barrett, and the acting executive director of the CMA, Ms. Barbara Drew, attend the Long Service Awards. Ms. Sylvia Stard, president-elect of the Northwest Territories Registered Nurses Association, also congratulated the recipients and reiterated the strong commitment of the NWTRNA to continued close collaboration between the two professions.

Mr. Speaker, we have come a long way in stabilizing our complement of physicians from just a year ago. We still have a ways to go in ensuring that the entire Northwest Territories has the same access to physician services. The well-being of all residents depends on good medical services and good teamwork between all health and social services professionals. In the meantime, I believe that it is vitally important to recognize, honour and thank our hard-working, dedicated physicians and I know that all Members join me in saying to Northwest Territories doctors, on behalf of all our constituents - thank you for your service and commitment. We appreciate your professionalism and your dedication. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Madam Minister. Yes, indeed, congratulations do go to the recipients of those awards. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Great Slave, Mr. Braden.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement on Passing of Ice Road Builder John Denison

MR. BRADEN: Thank you, Mr. Speaker. The Minister of Education, Culture and Employment has proclaimed today Heritage Day and provided an opportunity for us to reflect on the transportation heritage. In this light, I would like to acknowledge the contribution and the life of a northern pioneer of vision and action, John Denison, and those who worked with him.

John Denison passed away January 6th in Kelowna at the age of 84. While his passing marks the end of an era, his life and spirit of adventure and perseverance opened up tremendous opportunities and roads to resources. He proved that freight could be hauled long distances over ice roads with wheeled vehicles. John Denison helped engineer ice road construction when he began building an ice road to the Great Bear Lake silver mine in the late 1950s. The road was appropriately named Denison's Ice Road and was immortalized in a book by the same name written by noted American author Edith Iglauer. Working with Byer's Transport, the early pioneer of ice road construction, Denison and his crew -- including my father for a short time, Mr. Speaker -- endured bitter cold and darkness in construction of a 500-kilometre road from Yellowknife to Great Bear Lake.

Denison first moved to Yellowknife in 1946 as a member of the RCMP, and he served several years here before moving to Edmonton where he married his wife Hannah. He returned to the North for the winter road construction season and worked on roads to Bear Lake and Tundra and Discovery.

Also key in early ice road construction and development were Dick Robinson and Hughey Arden. Renowned for his knowledge of the countryside, Arden pioneered routes north through Great Bear as he scouted the way forward in the Bombardiers. Dick Robinson, also a major developer in the construction of ice roads and the move from cat trains to wheeled vehicles, his company, RTL Limited, has been a major player in the moving of goods and the development of northern transportation.

These pioneers, Mr. Speaker, were gamblers who knew when to take a chance. As it is today, ice is always the big factor and those involved had to work closely together with trucks, equipment and communications. In those days, they were not what they are today.

Without pioneers of this type and their contributions, we might not be enjoying the benefits of our current development. I wish to acknowledge the significant contribution of pioneer John Denison and other pioneers in our unique northern transportation system. Thank you, Mr. Speaker.

-- Applause

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

Member's Statement on Cost of Living Increases in Small Communities

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I rise today to speak about a critical issue in a lot of our small communities. There is a high increase in prices in everything from power to land taxes to gasoline. Yet, Mr. Speaker, we are going to be reviewing the 2001 budget shortly. There are areas we have to take into account the cost of living that is associated with accumulated tax increases, increase in fees and different programs like driver's licences.

The big problem in a lot of our small communities is adjusting to our landed price increases in a lot of the small non-tax-based communities. Yet, Mr. Speaker, we have a budget in front of us where we have come out with new initiatives, new ways of doing things, but in the communities I cannot really say how that will affect to improve the conditions a lot of our communities are finding themselves in, with the increased power rates and the fuel adjustment rate rider that is in place now where people's power rates have increased drastically.

For some communities, they are paying over \$1.00 a litre for gas. Yet, Mr. Speaker, we continue to see these increases but we do not feel the impacts until you get right down living in these communities where you own your own home. You try to heat and pay for the power to maintain these units in isolated communities and continue to see these increases.

Mr. Speaker, I think it is appropriate that we seriously consider people in the small isolated communities when we review the budgets and business plans in front of us, knowing that there has been impacts on communities, especially in areas related to the Northwest Territories Power Corporation and the fuel adjustment rate rider. There has to be a review to see exactly what can be done to offset the cost of these small communities who are off highways, who are not going to see the benefit in regard to the Highway Strategy, who may not feel the benefit of where the economics are coming from in regard to oil and gas, diamonds, where it seems to serve a lot of the larger centres. Thank you, Mr. Speaker. I would like unanimous consent to conclude.

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

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, it is important that we take into account those communities who do not have an economic base. We have to find ways to assist them through the troubled times, especially the community that I represent, Aklavik, who lost their fur shop, which is the main employer in the community. I for one feel we have to do more for those communities who do not have economic benefits sitting on their doorsteps like most other jurisdictions. Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. Item 3, Members' statements. The honourable Member for Frame Lake, Mr. Dent.

Member's Statement on Realizing our Mineral Development Potential

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, as we all know, mining is a vital component to the northern economy. In December, the Fraser Institute released its annual survey on mining investment opportunities around the world. Overall, the Northwest Territories ranked 14th out of 35 jurisdictions. At first glance, it would appear that the Northwest Territories offers an attractive investment opportunity for mining companies. While looking at the survey's individual components, we see a slightly different story.

In terms of geology and mineral potential, the Northwest Territories ranks a strong 11th. On the policy side of things, however, out of 35 regions we ranked 29th. This ranking should cause us great concern. Companies are increasingly basing their investment decisions on a region's policy climate. The main concern that mining companies have with the Northwest Territories is about the regulatory process and whether it is streamlined enough to accomplish what they need to do in a reasonable period of time.

Mr. Speaker, this may also be a major factor in determining whether a pipeline is built in the Mackenzie Valley. While maintaining strict environmental standards, Mr. Speaker, we must work towards streamlining the regulatory process. I am pleased by the commitments that have been made to date to work towards this.

As I have stated previously in this House, our government must continue to pressure the Department of Indian and Northern Affairs to provide adequate funding for the Mackenzie Valley Environmental Impact Review Board. I do not believe, Mr. Speaker, that this board can efficiently review the large number of potential projects without increased financial support from the federal government.

We also, Mr. Speaker, need to insist that DIAND develop guidelines to streamline the regulatory process and to make it clear to all parties how the process works. Companies are ready to make significant capital investments in the Northwest Territories but they need a clear picture as to how long it will take to open a new mine or build a pipeline. We have attractive mining and oil and gas opportunities in the Northwest Territories. In order to see them develop though, we need to clear up the uncertainty in the regulatory process and then let the world know that we are open for business.

Mr. Speaker, as we have often heard the Minister of Finance say, we have the potential to become a "have" territory. Mr. Speaker, we must not sit on our hands. We must move to realize that potential. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Dent. Déclarations de députés. Item 3, Members' statements. The honourable Member for Tu Nedhe, Mr. Nitah.

Member's Statement on Training for the Oil and Gas Industry

MR. NITAH: Mahsi, Mr. Speaker. I want to comment on the honourable Finance Minister's Kodiak boots and the yellow rose of Texas for last Thursday's budget speech. If we are going to make the North another Texas, then we need to think big, Mr. Speaker.

The budget address does mention job opportunities for future nurses and social workers, but what it does not specifically mention is training for the oil and gas industry. Yet the government is examining how it can supply natural gas in certain communities by hooking to the proposed Mackenzie Valley pipeline. What we need is training to give youth immediate jobs in this industry, Mr. Speaker, and we need to be prepared.

Too much of our training for the oil and gas industry is after the fact. It is like letting the cat out of the bag and then closing the bag. First Nations students from northeastern B.C. are getting a lot of help in this regard, and perhaps our government can learn from their example. The B.C. government contributes \$1.2 million to a program that helps First Nations develop economies, social structures and youth skills.

Mr. Speaker, their government has 15 major oil and gas companies funding partners. That is where we fall flat. Their training includes classroom and hands-on instruction. Courses are taught in Fort St. John and Fort Nelson. Industry partners provide the students with safety equipment needed for training, and there are jobs. This is an example of how industry and government can work together to develop its human resources.

The Right Honourable Jean Chretien said in the Throne Speech a few weeks ago that economic growth and job creation is the most effective way to reduce poverty. Well, here is an opportunity, Mr. Speaker. Maybe our government could follow the B.C. Government's lead. Mahsi, Mr. Speaker.

-- Applause

MR. SPEAKER: Mahsi, Mr. Nitah. Item 3, Members' statements. The honourable Member for Hay River North, Mr. Delorey.

Member's Statement on Recruitment of Qualified Northern Teachers

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, I rise today to raise an issue that has been brought to me by a constituent of mine. The issue in part, Mr. Speaker, is the recent recruitment drive conducted jointly by the Department of Education, the Northwest Territories' five divisional education councils and two Yellowknife education authorities.

Mr. Speaker, while I agree that recruitment and retention of teachers is critical to the well-being of our children, the method used currently to attract teachers may not be all that it can be. Mr. Speaker, it has been brought to my attention that we have qualified teachers currently working as special needs

assistants in the school systems in the North. It is my understanding that when teachers' jobs become available, these qualified individuals are not even granted an interview. Mr. Speaker, special needs assistants, or SNAs, as they are referred to, are part of the Union of Northern Workers and not the teachers' union, even though some of them hold teaching designations.

Mr. Speaker, I have some concerns about the recruitment drive across Canada at untold expense to the taxpayer when we have qualified teachers right in our backyard. If we were to hire these individuals, who in many cases are long-term Northerners, we would not have the concerns such as housing and moving costs. Mr. Speaker, I would like to see the Department of Education conduct a survey of all staff throughout the Northwest Territories school system that would indicate qualifications, because it appears that some people are being overlooked.

In addition, Mr. Speaker, I would like to see the department undertake a local recruitment drive encompassing the communities of Hay River, Fort Smith, Inuvik and surrounding communities. Mr. Speaker, at the appropriate time, I will have further questions for the Minister responsible. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. Item 3, Members' statements. The honourable Member for Yellowknife South, Mr. Bell.

Member's Statement on Progress on a Resource Revenue Sharing Arrangement

MR. BELL: Thank you, Mr. Speaker. I want to comment today on our progress on resource revenue sharing. Specifically, I guess after reading an article today, actually an opinion piece in the local media about how it appears we have fallen back from our position of pressuring the federal government for a resource revenue sharing deal to raising taxes, umpteen initiatives, raising tolls. It seems to me we have taken an approach of trying to get back royalties from mining companies and other industry simply because we have fallen down at this level, at the political level, in being able to get any kind of reasonable deal.

I think constituents of all of ours are asking themselves the question, should we really be punishing residents of the Northwest Territories because we in this House and in conjunction with other aboriginal governments have failed to this date to make any real progress on resource revenue sharing with the federal government? I do not think so, Mr. Speaker.

Others may be asking what is the urgency? I think it has to be clear: there will be no retroactivity. Once the diamonds and gas are gone, they are gone, Mr. Speaker. Mr. Nitah mentioned last week that maybe we have to look at doing something outrageous. We have to find a solution and I would agree. I think in the meantime, there are some things that our government might look at doing. Maybe we need more publicity around the actual dollar amounts of money that are involved, that are flying right over our heads into federal coffers, Mr. Speaker. That certainly might get direction moving.

We have discussed in the past a trust account where these funds might accrue until we can get a deal worked out. It is true that we do not have a deal now but, Mr. Speaker, I think that

would light a fire, so to speak, if we could actually see what kind of money we are talking about and how this money is quickly adding up.

So Mr. Speaker, I think it is clear we need a new approach to resource revenue sharing. We have to take a new approach to Ottawa and I am looking forward to hearing what this government is proposing to do. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Bell. Item 3, Members' statements. The honourable Member for North Slave, Mr. Lafferty.

Member's Statement on Renaming the North Slave Electoral District

MR. LAFFERTY: Thank you, Mr. Speaker. Mr. Speaker, tonight a very significant event is happening at the Legislature. A meeting is being held to hear people's views on renaming my electoral district. This name change is an important step marking the government's recognition of our distinct area. It is also important because we are giving it a Dogrib name. Since being elected as the MLA for the North Slave region last December, I have been deeply concerned with the lack of coordination between government departments. In the budget process, money is allocated to the North Slave region, yet that money ends up being spent outside our area. For example, Fred Henne Park improvements and Ingraham Trail signs are paid from the North Slave budget.

In the actual North Slave region, which is Rae Lakes, Wha Ti and Snare Lakes, it seems as though there is no funding for parks or anything of the sort. As well, until recently when money was allocated for highways, our region was grouped in with Fort Smith. We are still grouped in with Yellowknife and Detah. Renaming the North Slave region to Monfwi is a fundamental shift that will help to ensure that our region is recognized fairly in the budget process. It will provide for a better understanding of local issues and needs. It will also make government expenditures much clearer. The realignment of the budget with the future land claim area will also help with the transition to self-government when these negotiations are finalized. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Lafferty. Item 3, Members' statements. The honourable Member for Weledeh, Mr. Handley.

Member's Statement on Recognition of Legislative Assembly House Pages

HON. JOE HANDLEY: Thank you, Mr. Speaker. I would like to take this opportunity to welcome the nine grade 8 and grade 9 students who are working with us this week as pages. Two of the students are from Chief Sunrise School in Hay River; two are from Diamond Jenness School in Hay River; four are from the Kaw Tay Whee School in Detah. They are Louie Bealieu, Becky Plotner, Leon Sangris and Sheena Sangris. One student is from Ecole Allain St. Cyr and that is Elijah Forget Manson. We appreciate the service these young people provide to us and welcome them to the Legislative Assembly and wish them a successful and satisfying week with us. Thank you.

-- Applause

MR. SPEAKER: A good news statement from the Minister. Item 3, Members' statements. The honourable Member for the Deh Cho, Mr. McLeod.

Member's Statement on Acknowledgement of Recently Deceased Deh Cho Elders

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, like my honourable colleague from Nahendeh did last week, I would also like to take this time to acknowledge and remember the many elders who have passed away in my region recently. Mr. Speaker, in the past two weeks, we have experienced a high number of deaths in the Deh Cho. In fact, we have witnessed the passing of five people in a relatively short period of time and I would like to offer my condolences to the families of Berna Bonnetrouge; Celine Lafferty, whom I acknowledged here last session on her 100th birthday; Pierre Lacorne; Sarah Helen Bond; and, to the members of my family on the passing of my father, Angus McLeod.

Mr. Speaker, all these people were respected elders from my region. All were bilingual, some were trilingual and with the passing of these people the North has lost a wealth of knowledge, history and culture. I would also like to commend the people who helped out and pitched in during these very difficult times with the preparation of the gravesites, cleaning of the churches, setting up of the churches, for the food preparation and others who came in from the different communities to help us in our time, this very difficult period.

When that many people pass away in a short period of time in the small communities, it causes many problems and compounds problems. There becomes a shortage of priests. We have only one priest in our region. There is also scheduling our churches and the use of other facilities.

In closing, I want to thank Father Joe Daley and Father Piche who came in from Edmonton to help out, the medical staff from Fort Providence and Fort Simpson and the Members of this House, including yourself, Mr. Speaker, who took the time to attend the funerals and to offer support. Thank you, Mr. Speaker.

-- Applause

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

Member's Statement on Recognition of Long-Serving Northwest Territories Physicians

MS. LEE: Thank you, Mr. Speaker. My statement today is on the physician recognition ceremonies and, although it may look like it, it was not preorchestrated.

Mr. Speaker, I would like to take this opportunity to thank the Minister of Health and her department for the work they have done in creating and organizing the first physician recognition ceremony held at the Great Hall on February 9, 2001.

I believe we all see how essential it is to recognize and express appreciation for those who provide important services in our communities, big or small, each day. Recognizing the long-term service of our doctors was very long overdue. Judging by the reaction of some of them in attendance at the ceremony, I

believe the goodwill gesture shown by the Minister and the government was very well received.

Mr. Speaker, in this atmosphere of extreme doctor shortages, which is creating a great deal of anxiety in all of our communities in the North, it was comforting for me to learn anew that a great number of doctors we have are very much committed to the North. The Minister has stated the names of all of the recipients, and I would like to take a moment to congratulate all of them and to thank them once again for the years of dedicated service they have given to all of us.

Mr. Speaker, of 32 doctors who were recognized for five years or longer service in the North, 11 of them were recognized for more than 15 years of service. That is more than a full third of the total and certainly should give comfort to us all. Clearly many of our doctors do find the North a good place to practice. Sixteen out of 32, a full half, are specialists, which I think is very significant.

Mr. Speaker, I would also like to note that I had an occasion to have a casual conversation with doctors at the Stanton Hospital the other day. I came to appreciate how, over a period of many years, various factors have contributed to build a strong team of doctors and nurses at the hospital, which is serving the North well beyond that which would be reasonably expected for the size of the team and the Territory and how critical it is that we recognize the importance as well as the fragility of it, and how we must work hard to support and maintain the careful dynamics of the team.

Finally, Mr. Speaker, I would also like to urge the Minister to expand the recognition to include other health care professionals, namely the nurses, who I believe are the glue that holds our health system together. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Ms. Lee. Item 3, Members' statements. Déclarations de députés. The honourable Member for Thebacha, Mr. Miltenberger.

Member's Statement on Fort Smith Chamber of Commerce

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, over the last weekend in Fort Smith, the Fort Smith Chamber of Commerce held their annual meeting. They have elected a full slate for the executive. The president is Mr. Jim Bassingwaithe; vice-president is Lou Sebert; secretary treasurer is Rick James; the directors are Nick Kaeser, Chief Fred Daniels, Ibe Kristensen, Paul Campbell, Brad Bourke, Clayton Bourke, Michael Salvisberg and Paul Clark.

Mr. Speaker, like every other community, we need a strong business community. We need a thriving economy. We need an economy that is not totally dependent on government. The chamber that has been elected, the executive, has a job ahead of them. They have to work closely with the political leadership of the community and of the Northwest Territories to move ahead on many of the initiatives that are out there before us.

Mr. Speaker, we have on the horizon in our community the potential of hydro development. We have one land claim settlement that has just been signed last year and two more that will hopefully be signed in the coming months and years, which will bring a tremendous pool of capital to our community.

We have a tourism market that is just starting to develop with the Japanese tourists, and in the summer with the Europeans.

We have, of course, some capital projects of interest. We have the paving of Highway No. 5. We have the seniors' housing project that is slated to go ahead in the next 18 months or so that will hopefully bring much-needed housing to the community, along with the demolition of the old hospital. There is a relocation of the fire centre which will finally move a GNWT major program out of federally leased office space into owned-in-the-North office space, and also free up office space for the federal government to finally move some other positions to Fort Smith. We are looking at the potential of a new pool in our community.

Mr. Speaker, very clearly, it is very important that we have a strong chamber. I would like to congratulate all of those who put their names forward and all of those who were elected. I look forward to working with the chamber and the rest of the community leadership to realize a lot of the potential projects I just outlined through this House today. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Miltenberger. Déclarations de députés. Item 3, Members' statements. The honourable Member for Inuvik Boot Lake, Mr. Roland.

Member's Statement on Results From Invitational Atom Hockey Tournament

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, this past weekend, an Invitational Atom Hockey Tournament was held here in Yellowknife. I had the good fortune of taking in some of these games, especially since two teams from Inuvik had come down to take part. Twenty-two players in all, 11 per team.

Mr. Speaker, team 1 finished second in Pool A. Team 2 finished first in Pool B, and that was the round robin series. On Sunday, the championship games were played. I must say, they were very exciting. The semi-final game went to a shoot-out, which saw the Inuvik Team 2 win. Team 2 went on to play and win the final game with a great come-from-behind victory. It was a weekend to remember for both players and parents from both squads in the Inuvik teams.

There were many players that came along and many parents who helped out the team. As I said, there were 22 players, so I would probably end up forgetting some, but some of the things I will remember from this weekend is the cheering and chants of "Go, Inuvik, Leah and Albert!"

Mr. Speaker, I must mention the parents and coaches who came down with the team and helped throughout the weekend. It was their efforts back home in Inuvik and here in Yellowknife that made memories to last a lifetime.

With that, Mr. Speaker, rarely do I have the opportunity to mention that an Inuvik team came down to the capital city and took the trophy home.

-- Applause

I would like to congratulate the players and their parents. With all of the families watching the children playing made me think

of my family back home, so I would like to send greetings back to my wife and children.

-- Applause

MR. SPEAKER: Thank you, Mr. Roland. The Chair will have to waive the rule about one subject per Member's statement. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Ootes.

Member's Statement on Yellowknife Seniors Society Book Release Entitled Yellowknife Tales

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, today I would like to take a moment to congratulate the Yellowknife Seniors Society for producing a wonderful record of Yellowknife's early days. It is a book called Yellowknife Tales. This book is a compilation of life stories and photographs of the people who lived in Yellowknife when this was a much smaller community than it is today. The stories are entertaining, amusing and informative, but more than that, they are a historical record of Yellowknife's roots.

The work of gathering the stories, photos and editing the material was done entirely by a committee of volunteers headed by a well-known resident, Barb Bromley. The other members of the book committee were Esther Braden, Jan Stirling, Mike Vaydik, the late Mike Piro, Erica Tesar, Wendy Stephenson, Terry Foster and Ronne Hemming.

The Seniors Society received financial support for this project from several Yellowknife organizations and businesses and the Government of Canada's Millennium Fund. Mr. Speaker, I hope this House will join me in extending congratulations and a big thank you to the Yellowknife Seniors Society for pulling Yellowknife Tales together and publishing this very worthwhile document, so that we may all have a better understanding of Yellowknife's heritage. Thank you, Mr. Speaker.

-- Applause

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

Member's Statement on Inuvialuktun and Inuinnaqtun Language Services in the Legislative Assembly

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, on June 30, 2000, I tabled in this House a petition presented to me by some of my constituents in Nunakput. The petition specifically requested yourself as Speaker to consider allowing for translations of the proceedings to be translated in either Inuvialuktun or Inuinnaqtun, which are the two dialects of the residents of Nunakput.

On behalf of my constituents, I wish to thank you and the Board of Management for the favourable decision on this very important matter. I understand from the response tabled by yourself in this House on Wednesday, February 14, 2001, the residents of Nunakput can expect to hear the proceedings of this House broadcast once a week in one or the other of our dialects.

I believe this decision on the part of the Board of Management serves to recognize the basic rights of all residents of the Northwest Territories to full participation in the proceedings of this House.

It is unfortunate that these translations are not available on a daily basis due to fiscal realities. However, even translations once a week serves to recognize the diversified makeup of aboriginal people of this great Territory, and for that we thank you.

Mr. Speaker, the residents of Nunakput look forward to the day when proceedings of this House are translated into Inuvialuktun on a daily basis. Quyanini, Mr. Speaker.

-- Applause

MR. SPEAKER: Quyanini, Mr. Steen. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. The honourable Member for Deh Cho, Mr. McLeod.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, although I cannot see from here, I would like to recognize Kazan Dragon, Mayor of Fort Providence, his daughter Patricia, and I believe Victor Constance is also here, and Olga Constance.

-- Applause

MR. SPEAKER: Thank you, Mr. McLeod. The Chair would also like to recognize a former Speaker, Mr. Gargan, and his daughter. Item 5, recognition of visitors in the gallery. Welcome to the Legislative Assembly everyone. Item 6, oral questions. The honourable Member for Frame Lake, Mr. Dent.

ITEM 6 :ORAL QUESTIONS

Question 328-14(3): Mackenzie Valley Environmental Impact Review Board

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, I spoke earlier today about the regulatory process and I would like to direct some questions to the Minister responsible for Resources, Wildlife and Economic Development. Mr. Speaker, as I understand it, the current funding for the Mackenzie Valley Environmental Impact Review Board will only allow the consideration of three or four major projects. This level of funding could perhaps delay some of those projects that the Minister of Finance is counting on to turn us into a "have" territory.

Last fall, the Minister committed to pushing DIAND to increase their funding and support to the board. I wonder if the Minister of RWED could advise us whether or not that has happened and where we are with that process.

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for Resources, Wildlife and Economic Development, Mr. Handley.

Return to Question 328-14(3): Mackenzie Valley Environmental Impact Review Board

HON. JOE HANDLEY: Thank you, Mr. Speaker. I raised this matter with the Minister of DIAND at a meeting we had with him at the end of January. He advised us that he has seconded a senior person within his department to a full-time review of the Mackenzie Valley Resources Management Act and its boards. That individual is Hiram Beaubier, who was responsible as director for environment and resources, so he is well

experienced to be able to do this job. He has undertaken the job with a timeframe of having it completed by May. Thank you

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

Supplementary to Question 328-14(3): Mackenzie Valley Environmental Impact Review Board

MR. DENT: Thank you, Mr. Speaker. Could the Minister advise us whether or not the development of regulations for the administration of the act was also going to be part of Mr. Beaubier's consideration?

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 328-14(3): Mackenzie Valley Environmental Impact Review Board

HON. JOE HANDLEY: Mr. Speaker, my understanding from my discussions with the Minister of DIAND was that Mr. Beaubier will be doing recommendations on regulations, particularly in the areas of defining the terms and setting some timeframes for the various stages of the different process. Thank you

MR. SPEAKER: Thank you, Minister Handley. Item 6, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

Question 329-14(3): Rising Cost of Living in Small Communities

MR. KRUTKO: Thank you, Mr. Speaker. My question is for the Minister of Finance with regard to the concerns that the smaller communities, especially the communities that I represent like Aklavik, with respect to the high cost of living. In a lot of these communities, they have seen major increases, especially in the heating fuel costs, gasoline and their power bills. I would like to ask the Minister exactly what this government is doing to ensure that those communities will not see the majority of the benefits flowing from his budget, but will be able to ensure those communities that there is some protection for trying to find ways to bring down those high costs associated with living in those small communities.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Finance, Mr. Handley.

Return to Question 329-14(3): Rising Cost of Living in Small Communities

HON. JOE HANDLEY: Mr. Speaker, our government's ability to be able to lower the costs is very limited in that the costs for most of our fossil fuel energies are driven by global markets. It is very difficult to impact on the cost of gas or oil. In the short term though, Mr. Speaker, as I advised the House last week in my budget address, we are putting in place a system for fuel rebates as one measure to help offset the increased costs to people in the small communities, in fact, right across the Territories.

We are also putting in place a \$500,000 increase for individuals who are dependent on income support in order to help them

meet their costs. We are also currently working on a system of an increased northern tax credit, which again would benefit northern wage earners. We are taking on a number of measures to help people in the small communities as well as the large communities. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Mr. Krutko.

Supplementary to Question 329-14(3): Rising Cost of Living in Small Communities

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, as we all know, this government derived a lot of taxes, especially from gas and fuel taxes. They have different tax regimes in place where they are looking at an increase, which has an affect on communities, especially with respect to power generation and the Northwest Territories Power Corporation, which is owned by this government.

I would like to ask the Minister, what is he doing to look at ways to bring down the cost of power, especially when it comes to the fuel adjustment rate rider which is presently in place? That seems to be an area which has a major impact on the high cost of power in a lot of our smaller communities.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Finance, Mr. Handley.

Further Return to Question 329-14(3): Rising Cost of Living in Small Communities

HON. JOE HANDLEY: Mr. Speaker, we have the power generation review, which was completed in early December and made public for consultation. That review looks at a number of issues concerning the provision of energy, power, to people all across the Northwest Territories. There are a number of recommendations in there. I would hope that as many people as possible will give us their advice on that report and expect that following the release of that report, we will be able to lay out a plan of action. Thank you.

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

Supplementary to Question 329-14(3): Rising Cost of Living in Small Communities

MR. KRUTKO: Thank you, Mr. Speaker. Another area that has seen a major increase in a lot of the communities is the land pricing policy, especially in Aklavik. This has been an issue in this House. That is another area where it has had a major impact, especially on homeowners. I would like to ask the Minister again, what are they doing in this area?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Finance, Mr. Handley.

Further Return to Question 329-14(3): Rising Cost of Living in Small Communities

HON. JOE HANDLEY: Mr. Speaker, the land pricing policy is a responsibility that rests more with the Minister of MACA than it does with me as Minister of Finance. I can advise the Member, though, that the Minister of MACA and his department have

been meeting with communities, including the Gwich'in communities, to look at the issue of land prices. They are aware of it and are doing their own assessment of that policy. Thank you.

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

Supplementary to Question 329-14(3): Rising Cost of Living in Small Communities

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, one of the things that we do not seem to do that often, especially in government, is that we have accumulated the impact of all these increases over the last number of years, realizing we had a deficit, realizing that we had to find funds from within. I would like to ask the Minister, has the department done an assessment or review of all the accumulated increases -- regardless of whether it is a fee increase, tax increase, municipal increase -- to see what the affect has been on an individual within the isolated communities?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Finance, Mr. Handley.

Return to Question 329-14(3): Rising Cost of Living in Small Communities

HON. JOE HANDLEY: Mr. Speaker, both the Department of Finance -- largely through the Bureau of Statistics -- and the Department of Resources, Wildlife and Economic Development, try to track this kind of information. There is an ongoing assessment of how our cost of living is relative to the south, as well as how it varies from one community to another. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Item 6, oral questions. The honourable Member for Inuvik Boot Lake, Mr. Roland.

Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, my question is for the chairman of the Financial Management Board and it is in reference to a subject that I have questioned the Minister on previously, and it has to do with Arctic A employees. When the responsibility for airports was transferred over to this government, there was a provision in the contract for the employees to retain their VTAs for a five-year bridging agreement.

Into one year of that agreement, this government or the past government did not honour that bridging agreement and they have been trying since then to have that agreement honoured. In fact, it went to arbitration and arbitration was won in part to the employees, but as employees continue to try to get reimbursed or get what was due them, they continue to run up against walls, or as we say -- I got an e-mail from one of the employees -- another hoop to jump through. Mr. Speaker, I would like to know from the Minister of Finance, has his department looked at this issue again and whether they have changed any of their direction in this area? Thank you.

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

Return to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

HON. JOE HANDLEY: Mr. Speaker, the department has not changed direction. The department is following the recommendations and conclusion arrived at by the arbitrator. Essentially, the department's request is that any employees who are affected by this situation submit receipts for travel to show that they actually took the travel, then they will be paid in accordance with those. If they do not have the receipts, then they are certainly welcome to submit a signed affidavit indicating that they have travelled, and the department will consider those. If there are individuals -- and I know there are not a lot of individuals affected by this -- if there are specific individuals, I would be happy to take their names and try to walk this through the Financial Management Board Secretariat to help out these people. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Mr. Roland.

Supplementary to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

MR. ROLAND: Thank you, Mr. Speaker. There have been occasions where individuals or employees have tried to meet the criteria set before them and, as I was reminded again in an e-mail, that one of the employees actually gave receipts close to the amount of \$2,000, but they were told that it did not qualify because they received an allowance for \$1,900 and some dollars or something of that area, which is this northern allowance. Does any other employee in the Government of the Northwest Territories have to account for their northern allowance portion that attributes to vacation travel? Thank you.

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

Further Return to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

HON. JOE HANDLEY: Mr. Speaker, no, I do not believe any other individual employee would have to account with receipts for their northern allowance. If the Member will give me the name of the individual or individuals, I would be happy to try to walk it through for them to see what the problem is. Thank you.

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

Supplementary to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

MR. ROLAND: Thank you, Mr. Speaker. That will help on a couple of occasions, but there are a number of other employees who were left out who feel that because an agreement was signed by this government, the Government of the Northwest Territories of the day and the federal government and was agreed to in a bridging agreement, that in fact there are monies due and owing to these employees. With this announcement of this surplus that is coming up, why does

this Minister not honour that agreement at this time? Thank you.

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

Further Return to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

HON. JOE HANDLEY: Mr. Speaker, the Financial Management Board Secretariat believes that it is following the directions set out by the arbitrator. I realize that some employees may have a different opinion of that ruling and we need to take those and walk them through. FMBS is attempting to follow what the arbitrator put in his ruling. As I say, if there is a way that I can help by helping the individual, we would be happy to try to do that, but I believe my department is doing what it is supposed to be doing. Even if we have a surplus, we cannot become careless. We have to follow the guidelines that are set.

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

Supplementary to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

MR. ROLAND: Thank you, Mr. Speaker. I am glad to hear that this government will follow the rules it has put in place for itself. Mr. Speaker, I will take that commitment, but I would like to know when do I meet with him to give him names of individuals? What kind of a timeline will he have for responses and working with these individuals? Thank you.

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

Further Return to Question 330-14(3): Vacation Travel Assistance Provided to Arctic Airports Employees

HON. JOE HANDLEY: Mr. Speaker, I know my department is busy without having talked to them about this matter. I would say we will attempt to have this resolved before the end of this sitting. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Item 6, oral questions. The honourable Member for North Slave, Mr. Lafferty.

Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

MR. LAFFERTY: Thank you, Mr. Speaker. My question is for the Minister responsible for Education, Culture and Employment, the Honourable Jake Ootes. Mr. Speaker, on Friday, I shared a very disturbing situation which happened to one of my constituents. Although she is diagnosed with a life threatening illness and has been told she needs chemotherapy, she could not afford to begin her treatments in Yellowknife. She needed funds to get accommodations in Yellowknife, but the income support workers clawed the money back all because of the IBA payments, knowing full well that this woman needed medical treatment. They did this because they were following policy.

Our mandate is to serve the people we represent. It seems to me that as a government, we are not being very effective. My question for the Minister is what communications exist between income support and the health department to ensure that clients receive the help they need when a situation becomes a medical concern over a financial one? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Return to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

HON. JAKE OOTES: Thank you, Mr. Speaker. This sounds like a very unfortunate situation that occurred. I do not know all of the details that Mr. Lafferty referred to on Friday. There was some references to IBA payments and the clawback on that.

We are, as I mentioned on Friday, looking at the IBA payments. I should state also that our income support policy is one of providing rent and support for fuel costs and rent costs when an individual is on income support.

With respect to the question about coordination with Health and Social Services, certainly on a ministerial level, we are always coordinating and meeting and we are doing so more frequently. I do not know what occurs at the operational level, Mr. Speaker. It is something I would have to check into.

MR. SPEAKER: Thank you, Minister Ootes. Supplementary, Mr. Lafferty.

Supplementary to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

MR. LAFFERTY: Thank you, Mr. Speaker. I would like to ask the Minister if the Minister can tell me if the department will look at changing income support policies so that clients are not penalized if they need lifesaving medical treatment because of the policy? Thank you.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

HON. JAKE OOTES: Thank you, Mr. Speaker. Again, that is a subject we would have to look into. We would have to coordinate with the Department of Health and Social Services to see what areas of support the department provides. They may provide special programs in instances such as this. Therefore, I would have to state that we would look at the situation but would have to coordinate that with the Department of Health and Social Services. Thank you.

MR. SPEAKER: Thank you, Minister Ootes. Supplementary, Mr. Lafferty.

Supplementary to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

MR. LAFFERTY: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister if he can direct his department to begin changing these policies before any lives are lost, all

because some of our people cannot receive medical attention just because of policies? Thank you.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, I stated on Friday that I have the department looking at the impact benefit agreements and how they will be treated in the income support area. We do provide, as I stated earlier, housing support and fuel support through the income support program. We would have to look at seeing what areas we need to coordinate and what areas have responsibility in the Department of Health and Social Services. Thank you.

MR. SPEAKER: Thank you, Mr. Ootes. Final supplementary, Mr. Lafferty.

Supplementary to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

MR. LAFFERTY: Thank you, Mr. Speaker. I would like to ask the Minister if he and his department can get back to me before the session is over with these changes, if they are going to have any? Thank you.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 331-14(3): Income Support and Payments From Impact Benefit Agreements

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, as I stated on Friday, we are keenly interested in looking at areas that perhaps have to be addressed in the income support area. The impact benefit agreements is one area that I mentioned. I also stated, upon a question from the honourable Member for Great Slave, that I would provide the information to Members so that there could be some understanding and input into this area with regard to impact benefit agreements and perhaps other issues that may arise with regard to income support. Thank you.

MR. SPEAKER: Thank you, Minister Ootes. Item 6, oral questions. The honourable Member for Hay River North, Mr. Delorey.

Question 332-14(3): Recruitment of Qualified Northern Teachers

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, as I mentioned in my Member's statement, I want to recognize the recruitment drive that the Department of Education has undertaken across Canada to recruit teachers for our education system. It has been brought to my attention in light of that recruitment drive, that we do have some teachers working as SNAs in our education system right now who are actually qualified teachers but are experiencing some difficulty when it comes to applying on jobs. In some cases, they do not even get an interview.

I was wondering if the Minister could inform the House if he is aware of how many teachers we have in this position who are working as SNAs yet are designated teachers? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Return to Question 332-14(3): Recruitment of Qualified Northern Teachers

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, I am not familiar with the number of individuals who are student needs assistants who are qualified as teachers. Certainly the issue is one I will do some work on and find out exactly, if I can get the names of the individuals, exactly what the issue and concern is with regard to these particular individuals and as well, do some research on those particular positions throughout the Northwest Territories.

MR. SPEAKER: Thank you, Mr. Minister. Supplementary, Mr. Delorey.

Supplementary to Question 332-14(3): Recruitment of Qualified Northern Teachers

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, apparently, SNAs that work in our education system right now belong to the Union of Northern Workers and not to the teachers union. I was wondering if the Minister could tell us why that is?

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 332-14(3): Recruitment of Qualified Northern Teachers

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, the members of the NWTTA instructional staff are members of the teachers union, and only those members.

MR. SPEAKER: Thank you, Minister Ootes. Supplementary, Mr. Delorey.

Supplementary to Question 332-14(3): Recruitment of Qualified Northern Teachers

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, another area that has been brought to my attention is the hiring policy for teachers in the North. It appears that if a teacher comes to the North and works in the community in the teaching system for one year, they get bumped up in the priority hiring as...I cannot remember the name of it or the exact number, but they actually go ahead of some long-term Northerners we have living in the North who are qualified teachers. I was wondering why that policy is in place, that after one year, they jump ahead of some long time Northerners who we have working as teachers? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 332-14(3): Recruitment of Qualified Northern Teachers

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, again, I would have to know the specifics of cases in order to address that particular question. I just do not have a ready answer for that. Thank you.

MR. SPEAKER: Thank you, Minister Ootes. Final supplementary, Mr. Delorey.

Supplementary to Question 332-14(3): Recruitment of Qualified Northern Teachers

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, it is apparent that come this fall, we are going to need some teachers. I know in Hay River there is talk of a number of positions being vacant. I was wondering if the Minister could inform the House as to how the recruitment drive went across Canada, and how it looks for the fall for teachers? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

Further Return to Question 332-14(3): Recruitment of Qualified Northern Teachers

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker, our priority is to hire Northerners. There was coordination between the department and the DECs throughout the Territories, as well as the Yellowknife DEAs. They did a number of locations to do a recruitment drive. I believe there were seven in total.

From my understanding, there was a general good response to the recruitment drive. A number of applications have already been received. It was generally felt from those who were on the recruitment drive that this was a very successful approach to have combined. It was the first time that the various DECs and Yellowknife DEAs combined together to do one recruitment drive rather than individual approaches. I believe from the perspective of the individuals who have gone on to it, there was a good satisfaction with that approach.

Additionally, they have spoken with the Aurora College instructors and individuals. Thank you.

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

Question 333-14(3): Transfer of Federal Government Employees to the NWT

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, my questions are addressed to the Deputy Premier regarding the transfer of federal government positions from Ottawa to the Northwest Territories. This was an issue of great interest in the 13th Assembly. The federal government, as it is an expert in doing, dragged its feet through two long, laborious studies and ended up saying the employees did not want to move, so they are not going to make them come north.

I would just like to ask the Minister now that the election is over and there is a new government in Ottawa, what is the territorial

government doing to in fact put this issue back on the agenda, so hopefully during the life of this Assembly, we can look at having those positions moved to the Northwest Territories, and not all of them in Yellowknife? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Miltenberger. The honourable Deputy Premier, Madam Groenewegen.

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I can confirm that the last time Minister Nault was here in Yellowknife, Cabinet had a chance to meet with him. This subject was raised. We received a generally positive response to the issue of jobs being transferred from Ottawa. However, Mr. Speaker, most of the jobs and the different areas that would be transferred north do fall within the Minister of RWED's jurisdiction, so am I going to use my prerogative as Deputy Premier to refer that question to Mr. Handley. Thank you.

MR. SPEAKER: Thank you, Madam Groenewegen. The reply has been transferred over to the honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

Return to Question 333-14(3): Transfer of Federal Government Employees to the NWT

HON. JOE HANDLEY: Mr. Speaker, this is also an issue that was raised with the Minister of DIAND when we met with him at the end of January. He has continually assured us that as the federal government determines what its needs are in terms of human resource capacity, that he would move those positions north. When we met with him in January, he confirmed that is still his intention. Some of the positions will be DIAND positions, some will be with other federal departments. For example, it could be within NRCAN, Natural Resources Canada, or it could be with environment or with industry. He did say he would have to speak with his colleagues on the federal Cabinet to determine whether all or some or how many would come north. Thank you.

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

Supplementary to Question 333-14(3): Transfer of Federal Government Employees to the NWT

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, it is nice to hear these general positive noises, but the question to the Minister is are we going to be put through another two or three federal studies as they review this issue all over again before they make a decision? Or that they tell us at the end of the day that it is not on for this Assembly either? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 333-14(3): Transfer of Federal Government Employees to the NWT

HON. JOE HANDLEY: Mr. Speaker, I cannot confirm how quickly the federal government will be able to turn this around. I know they are working on a submission for the federal Cabinet. The Minister of DIAND has confirmed that. Hopefully, we will see both a confirmation of what the federal capacity would

have to be in this area. Second would also be some commitment from them in terms of training Northerners to fill those positions. We are continuing to talk. I do not know. I really cannot say if it will be a month, two months or five months or two years. I do not know.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Mr. Miltenberger.

Supplementary to Question 333-14(3): Transfer of Federal Government Employees to the NWT

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, one of the strong concerns by those of us who live outside of Yellowknife is that any move of positions to the North should not be automatically placed in Yellowknife. In my constituency, for example, with the relocation of the fire centre, there is going to be a tremendous amount of prime office space for the federal government. I would like a commitment from the Minister, from the Deputy Premier, that when they look at bringing these positions north, they will look at moving them around and out into the other larger communities where there is office space and where they can still do the jobs with the technologies of the day that are available to them. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 333-14(3): Transfer of Federal Government Employees to the NWT

HON. JOE HANDLEY: Mr. Speaker, I agree with the intention of the Member's preamble and question. I think the employee should be placed where they can be most effective in their job. Certainly there is no intention to consider placing everybody in Yellowknife. I think if we take oil and gas positions, for example, they can be and should be located where they can be most effective. I expect that is most likely in the areas where there are oil and gas activities. So our government's intention continues to be to build regional capacity. We intend to continue doing that. We will continue to urge the federal government to work with us, as well as with their employees, in maybe moving north. Thank you.

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

Supplementary to Question 333-14(3): Transfer of Federal Government Employees to the NWT

MR. MILTENBERGER: Thank you, Mr. Speaker. The Minister indicated that Minister Nault had to take a paper to Cabinet on this particular issue. Could he indicate what he anticipates the timelines will be and when he expects to hear the outcome in terms of the decision on that particular paper that I heard him refer to? Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. The honourable Minister responsible for Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 333-14(3): Transfer of Federal Government Employees to the NWT

HON. JOE HANDLEY: Mr. Speaker, it is my understanding from discussions with the Minister of DIAND that he is taking

forward a submission to federal Cabinet that will outline what is recommended as necessary, given our economic growth. It will outline the federal government's needed capacity. I do not know any details of the paper. I do not know exactly when it would go forward. I expect from my discussions with him that it is a matter of weeks and months, not years. Thank you.

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

Question 334-14(3): Public Input into the Regulatory Review

MS. LEE: Thank you, Mr. Speaker. My question today goes to the Minister of Resources, Wildlife and Economic Development, Mr. Handley. It is further to what Mr. Dent had stated earlier, Mr. Speaker. It has to do with the need to streamline the regulatory process under the Mackenzie Valley Environmental Impact Review Board.

I agree with Mr. Dent that there has to be additional resources provided for this board, because I do not think it was ever contemplated that this board would take on as much work as it has been forced to do in recent years. So I wonder, Mr. Speaker, further to the consultation, the review that is taking place under the direction of DIAND, I wonder if the Minister could advise us as to whether this is a public process or is it completely internal to the board or the department? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

Return to Question 334-14(3): Public Input into the Regulatory Review

HON. JOE HANDLEY: Mr. Speaker, my discussions with Mr. Beaubier, who is doing the review, and also the Minister of DIAND, are that this is to be looked at as a consultant's job, I suppose. Mr. Beaubier is on a special assignment. He will be coming to the North. He has assured me that when he comes to the North, he will be speaking to us as a government for sure. So it is not just being viewed as an internal, federal activity. Whether he will be holding public consultations, I do not know. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Ms. Lee.

Supplementary to Question 334-14(3): Public Input into the Regulatory Review

MS. LEE: Thank you, Mr. Speaker. As the Minister stated earlier to Mr. Dent, I think it has become apparent to everyone involved in the process that there has to be more clarification on timelines and some of the other meetings, of some of the terminology and the need for extra resources. I know that the board has undertaken on its own a lot of review over the last couple of years, so I wonder if the Minister could commit in this House to do more than just advise, but to put that on the table to see if Mr. Beaubier could talk to as many people as possible in the industry as well as in the government? Could the Minister commit to do that? Thank you.

MR. SPEAKER: Thank you, Mr. Lee. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 334-14(3): Public Input into the Regulatory Review

HON. JOE HANDLEY: Mr. Speaker, I think that is a good suggestion. I will undertake to contact Mr. Beaubier or have my office contact him and set it up. Thank you.

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

Question 335-14(3): Non-Insured Health Benefits

MR. NITAH: Mahsi, Mr. Speaker. Mr. Speaker, my question today is for the Minister responsible for Health and Social Services, Mrs. Groenewegen, on the issue of non-insured health benefits.

I am glad she has a briefing note in front of her today and that possibly the government might retain the contract for another year. I have the programs and functional review document in front of me. This is a quote from their issues and considerations:

"Both Canada and the Government of the Northwest Territories in self-government negotiations has supported aboriginal groups assuming control of the Non-Insured Health Benefit Program on behalf of their members. Withdrawing from the contribution agreement would be consistent with this position."

Mr. Speaker, if the Government of the Northwest Territories had that position on a lot of things, maybe we would have had all the land claims settled and revenue sharing by now. The question I have for the Minister is what impact would withdrawing from this agreement have on other programs and services that are currently delivered by the Government of the Northwest Territories in the areas of health? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Return to Question 335-14(3): Non-Insured Health Benefits

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I understand the question to be that if the territorial government withdrew from delivering the NIHB services, what impact would that have on the delivery of other health services to constituents, if I understand the question correctly. The answer is that it would have no impact and this is not a role which the Government of the Northwest Territories would vacate without considering a seamless transition from ourselves to another party in terms of interruption of services to constituents. At this point, it looks like the negotiations are going well, and that inevitability we may not have to deal with. Thank you.

MR. SPEAKER: Thank you, Madam Groenewegen. Supplementary, Mr. Nitah.

Supplementary to Question 335-14(3): Non-Insured Health Benefits

MR. NITAH: Thank you, Mr. Speaker. I did not ask what to do with it, but eventually I think that we are going to have to deal with it, whether we deal with it on a year-to-year basis. If we are going to be monitoring it for one year, then maybe we will look at it again.

The other question I have deals with the Inuit, particularly in the North. There is a provision in this document dealing with First Nations, but there is no Inuit representation in the Northwest Territories. How would they deal with their non-insured health benefits if it has been transferred to the federal government? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 335-14(3): Non-Insured Health Benefits

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. I missed the name of the document that Mr. Nitah said he was referring to, so it is difficult for me to respond to things contained in there. Right now, this program does cover the package of services that I have outlined to status Indians and Inuit in the Northwest Territories. This is a program that is delivered to other status Indians as well in other parts of Canada. In this particular instance, we deliver this on behalf of the federal government.

Maybe if I had more clarity, Mr. Speaker, and I do want to thank Mr. Nitah for his questions last week as well that enabled me today, hopefully with my Ministers' statement, to clarify some of the questions that he raised last week, but I am not familiar with the document he is referring to today. Thank you.

MR. SPEAKER: Thank you, Madam Minister. Perhaps the Member would be kind enough to give the document at some point to the Minister. Supplementary, Mr. Nitah.

Supplementary to Question 335-14(3): Non-Insured Health Benefits

MR. NITAH: Thank you, Mr. Speaker. I think every Member in this House has this document. It is called Program and Functional Review and it is in the health and social services area. It was introduced in the House in September, Mr. Speaker.

Mr. Speaker, within this document, in terms of timelines and consultation, I know that the Minister has made the suggestion that they might continue this for another year if they can come to a satisfactory agreement, but there is no guarantee of that. On past employment, the Government of the Northwest Territories was to serve the federal government with termination notices early in November, and at the same time notify aboriginal groups of the GNWT's intent and action taken. In November and December, the government and board staff developed this engagement plan.

In January and February, discussions with the federal government to ensure smooth transition, cease delivery of non-insured health benefits by April 1, 2001, complete claims and audits of 2000 and 2001 programs by 2001.

I asked on Friday about the consultation process. Is this the consultation process, Mr. Speaker? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 335-14(3): Non-Insured Health Benefits

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, as I indicated in my Minister's statement, we have realized some very significant progress in our negotiations with Health Canada. The actions indicated in the document that Mr. Nitah refers to may not be relevant now because we have secured agreement on \$800,000 on disputed billings and we have another \$700,000 under review. They are also considering supplementing administrative costs of delivering the program.

Mr. Speaker, we are now hopeful that we will be able to continue to deliver this program. Should this not be the case, then absolutely we would consult with aboriginal organizations on the decision that we would take. We would also, as I said, ensure that there was no disruption to services provided by the program to the beneficiaries. Thank you.

MR. SPEAKER: Thank you, Madam Groenewegen. Final Supplementary, Mr. Nitah.

Supplementary to Question 335-14(3): Non-Insured Health Benefits

MR. NITAH: Thank you, Mr. Speaker. Again, I point to the Minister's statement:

"If we are able to reach a satisfactory arrangement, I will be recommending to Cabinet and the Financial Management Board that we enter into a Vote 4-5 arrangement to deliver the non-insured health benefits program for one additional year."

There are no guarantees here. What I see is a timeline, and the timeline states to me that the non-insured health benefits will be no longer delivered by the Government of the Northwest Territories as of April 1, 2001. That is right around the corner, Mr. Speaker, yet we do not have a consultation process that I know of. The Minister is not able to tell me that.

The question I have for now is if this is a contractual arrangement with the federal government and they are not paying their end, is this not a legal matter? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 335-14(3): Non-Insured Health Benefits

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, part of the supplementing or subsidizing that the territorial government was doing to the tune of \$1 million per year under this program came as a result of changes to the NIHB program, so people who would be on the ground here in the Northwest Territories overseeing this would be making

approvals based on a change in the program as they knew it. The federal government would then disallow those expenditures and we were unable to recover them. The problem with the administration of it was that we were vulnerable and we would pay it up front and be required to recover it. If a disagreement arose over eligible costs, then we would be the ones who would be left holding it.

It is a contractual arrangement on a year-to-year basis, and we are hopeful that with the additional financial support for the administration of this program that we will be able to continue to deliver it. We will probably have a much better idea of that after one year of operation with the additional administrative support that Health Canada has agreed to provide. Thank you.

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

Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

MR. BRADEN: Thank you, Mr. Speaker. My question this afternoon is for the Minister of Transportation. On this Heritage Day, when transportation was particularly singled out and the importance of ice roads to the Northwest Territories, I wanted to ask the Minister if the government is still interested in pursuing ownership and management of the Lupin ice road system? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Department of Transportation, Mr. Steen.

Return to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, the answer is yes. I am still proceeding with talks with stakeholders and with the federal government in particular regarding our ability to take over this road.

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

Supplementary to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

MR. BRADEN: Mr. Speaker, that is good news. I am not particularly sure right now whether or not it is a good idea for this government to assume that, but I am interested in looking at the advantages. I am wondering if the Minister could explain what kind of criteria this government is interested in in order to take this facility over? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Department of Transportation, Mr. Steen.

Further Return to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, the main objective is to allow for northern control of this particular road. At this time, some of the stakeholders, in particular the mines, have not indicated that they are in favour of the government taking over this road. Most of it is related to

regulations and exactly what regulations would apply, so they are a little concerned about that. Also, management in relation to costs, how we would establish the authority that would govern the route, because the intention is that this is going to be at no cost to the taxpayer. It would be a full cost recovery by the users of the road, in particular the mines. That is the general idea or approach in taking over this route.

Of course, it is related to the fact that we believe that the major operators should go from this Territory rather than from Nunavut, as is the case right now. That is the major reason why we are involved at this point. Thank you.

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

Supplementary to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

MR. BRADEN: Thank you, Mr. Speaker. It does seem to be very appropriate for our government to set criteria. I wonder if the Minister could advise on any timeframe. Is there a definite window here that the government and the present owners are negotiating in? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Department of Transportation, Mr. Steen.

Further Return to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, probably the major factor governing the timeframe for a decision is related to the fact that Indian Affairs gave them an extension to the existing permit for three years. Within that timeline, we expected some consultations to take place as to the future management and control of that particular route. As a government, we did put in an objection to the original application, which was for a ten-year extension. We objected to that with the thought that we would take over the route. So I suppose the major factor here is that Indian Affairs has another two years, roughly a year and a half left whereby they would have to make a decision because this permit would run out.

MR. SPEAKER: Thank you, Minister Steen. Final supplementary, Mr. Braden.

Supplementary to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

MR. BRADEN: Thank you, Mr. Speaker. I cannot help sliding this question in. I am wondering when a company is using an ice road, the Lupin Ice Road, if the Government of the Northwest Territories was to take it over, would they be subject to the proposed toll that the government is proposing for highways in the Northwest Territories? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Department of Transportation, Mr. Steen.

Further Return to Question 336-14(3): Status of Discussion for Control of Lupin Winter Road

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, the intent is for the road to be self-sufficient. Therefore, there would be a toll similar to what exists right now on the Lupin road. The toll is administered by Echo Bay Mines, I believe. They charge the trucks the same as we proposed on our highways. They generate enough revenue a year to maintain those roads. That is the basic idea of what the management authority would be in the future. The management authority would decide what the toll would be in relation to the cost. Thank you.

MR. SPEAKER: Thank you, Minister Steen. Item 6, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

Question 337-14(3): Core Programs Transferred to Health Boards

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Health and Social Services regarding her statement of February 16th about the Health and Social Services System action plan. There are two areas that I have concerns about.

On page 1776 of the unedited Hansard, where she states:

"I have been increasingly concerned with a number of problems that have been brought to my attention by the department, by health and social services boards, by members of the health and social services professional community and by Members of the Legislative Assembly."

She goes on and lists the different challenges that are out there on page 1776 at the bottom:

"In addition to those financial and administration issues, there are pressing concerns about the delivery of core health and social services programs for a number of reasons. Some of our health and social services board are having difficulty delivering all the core programs which they have been funded and some programs are not always being delivered to standard."

Then she goes on:

"I do not take those concerns lightly. As Minister, I cannot ignore concerns about the quality of service delivery for which I am ultimately accountable."

My question to the Minister is this, in light of those statements, could the Minister tell us exactly which programs are core programs that we have funded these different health boards for that were not carried out?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Return to Question 337-14(3): Core Programs Transferred to Health Boards

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, as most Members are aware, we are awaiting the results of a system-wide review which is being undertaken right now. We do have some information that we are already aware of, but we are expecting a more in-depth report in some of these areas.

Just to give the Member a few of the ones we are aware of now where there may be some gaps in the system, there are things like home care programs, TB surveillance, services to adults with special needs. It is not that they are necessarily entirely missing. It may be an issue of standards which need to be applied to these things. Immunization programs...it is things of that nature when we talk about core programs for which we fund the boards and then we are concerned about either them not being delivered or when they are delivered, they are not being delivered to standard. That is the kind of very specific information we are waiting to receive as a result of the Cuff review, which is system-wide and is being undertaken right now. Thank you.

MR. SPEAKER: Thank you, Madam Minister. Supplementary, Mr. Krutko.

Supplementary to Question 337-14(3): Core Programs Transferred to Health Boards

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, in light of the Minister making the statement, I am just wondering, as a government, we do have obligations under the Canadian Health Act to carry out certain program services for all Canadians. Have we infringed on that agreement? Have we lived up to the obligations we have taken on from the federal government by taking all our health and social services in the Northwest Territories in light of the areas where you do have concerns with regard to the delivery of core programs?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Madam Groenewegen.

Further Return to Question 337-14(3): Core Programs Transferred to Health Boards

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Yes, Mr. Speaker, I do believe that we have lived up to our obligation, but the issue is that much of the responsibility for the delivery of these programs was devolved to health boards, along with a lot of the authority and the reporting and communications responsibilities. So the difficulty is that although we may be aware of some of the deficiencies, there is not always a clear means by which the department can require that accountability. That is why we are looking at accountability in governance structures in all those various things.

So in view of the concerns that were raised by constituents through things like the Minister's Forum on Health and Social Services and other means that we have of receiving information, it became of a magnitude and a seriousness that we felt we needed to do this system-wide review.

Having said that, I do not want to alarm the Members. We do believe that we are still meeting the spirit and intent of the

responsibility that we have when the federal government transferred these responsibilities to us. Thank you.

MR. SPEAKER: Thank you, Madam Minister. Supplementary, Mr. Krutko.

Supplementary to Question 337-14(3): Core Programs Transferred to Health Boards

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, the Minister stated there were four items that she named off. One of them was TB testing. Which health boards have not delivered that aspect of the core programs?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 337-14(3): Core Programs Transferred to Health Boards

HON. JANE GROENEWEGEN: Mr. Speaker, it is very difficult as some of the results of these findings are coming in, when we do not have the overall picture, to put it into context. I am reluctant to name specific boards or specific regions where there are issues like this because I do not think it is really fair to single out specific boards without the complete picture. So if the Member could bear with me until we have this information...we said the end of June. We are hoping that perhaps it can be expedited and we can have it even sooner, given some of the early results that are coming in. However, it is difficult to centre out one board.

We might say this board has an administrative and financial functioning problem and then we might find out by the end of the review that it is not just that board, that it might be more system-wide. I have given you some general areas and I hope that will suffice until we have the report. Thank you.

MR. SPEAKER: Thank you, Madam Minister. Final supplementary, Mr. Krutko.

Supplementary to Question 337-14(3): Core Programs Transferred to Health Boards

MR. KRUTKO: Thank you, Mr. Speaker. With regard to the Minister's statement, if she does not want to give the name of the board, could she give us some idea of how many boards we are talking about that do not deliver TB testing? We have nine health boards. Are we talking eight out of the nine or are we talking about three out of the nine? Could you just give us a rough number of how many health boards have not been delivering that core program?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 337-14(3): Core Programs Transferred to Health Boards

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, one of the other aspects of undertaking this system-wide review -- and I mentioned this in my statement -- is we are looking to find the facts of what are the things that might be contributing to the programs and services not being delivered in the best way possible. However, it is not intended as an

exercise to find fault. It is just to identify where the weaknesses are so that we can be more prepared to address them and to make the best and most prudent decisions on behalf of the people we represent.

At this time, no, Mr. Speaker, I am only aware of one region where the TB surveillance has not been up to the standard. Having said that, that does not mean that is the only place where that is not occurring. Thank you.

MR. SPEAKER: Thank you, Madam Minister. The time for question period has ended. Item 7, written questions. Questions écrites. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, replies to the budget address. The honourable Member for Inuvik Boot Lake, Mr. Roland.

ITEM 10: REPLIES TO THE BUDGET ADDRESS

Reply 5-14(3)

MR. ROLAND: Thank you, Mr. Speaker. Members of this Assembly, we once again have the opportunity to look at the big picture. Let us look at the fiscal situation when we first had opportunity to look at it as Members of the 14th Legislative Assembly. We were told that 74 percent of our revenue comes from the formula financing agreement. Another seven percent in transfer payments comes from Ottawa as well. We were told that if we tried raising our own revenues through taxes and such, there is little impact on our budget.

An example given is that ten percent increase in taxes would net us only one and a half percent. Without new revenues, the next few years will be characterized by cuts and deficits, we were told. What has changed so drastically that we are now in a position of a surplus?

Once again, when we first came together as Members of the 14th Assembly, the fiscal projection stated that revenues for 2001-2002 would be \$726 million. Expenditures would be in the area of \$814 million and by year end, we would have a \$160 million deficit. Now, the 2001-2002 total appropriation is estimated to be \$878.187 million.

We were also told that we would hit our borrowing limit by year end when we first came in. I recall being told that own-source revenues and a small portion of total revenues and increases had virtually no impact on a fiscal situation.

Mr. Speaker, in the 2001-2002 Budget Address, Minister Handley states our short-term fiscal position has significantly improved over last year's forecast from a \$13 million deficit to a \$23 million surplus.

In 2001-2002, he is predicting the surplus of a couple of million dollars. He states, and I quote from page 5 of his address:

"This turnaround is directly attributable to our successful efforts to constrain spending, coupled with a much more positive revenue picture."

Mr. Speaker, in the detail provided in the budget address document, this government spent \$47.62 million more than what was spent by year end March 2000; \$47 million more and predicting \$16 million more from April 2001 to March 2002. Mr. Speaker, this is considered constrained spending?

Mr. Speaker, the one item I see as a contributing factor, as the major contributing factor, to our remarkable turnaround is the fact that we received corporate taxes as never seen before in the Northwest Territories. Mr. Speaker, corporate taxes jumped from \$7.6 million in 1999-2000 to \$102 million in this fiscal year. The Minister goes on to predict another banner year for 2001-2002. Estimates of \$116 million in corporate taxes. If this is the case, why do we need any fee increases?

I do recall, however, a statement made when we first became aware of an increase in corporate tax revenues, the Minister stating that this was a one-time anomaly. Now we are budgeting it to grow and basing our expenditures on it. Mr. Speaker, just over a year ago, we were presented with a gloomy picture. We were told that trying to raise revenues from our own sources through fees was not a good idea. Now we are banking the Highway Strategy on it. Why such a change in direction?

Mr. Speaker, it is obvious to me that our need for a resource revenue sharing agreement will become critical as we set sail for another year in the so-called "Good Ship NWT."

In closing, Mr. Speaker, as I see it, this can be called a stargazer's budget. I hope Minister Handley's stars are not just someone hanging Christmas lights in the distance. Wishful thinking is not what I believe we should be budgeting on. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 10, replies to the budget address. The honourable Member for Great Slave, Mr. Braden.

Reply 6-14(3):

MR. BRADEN: Thank you, Mr. Speaker. By and large, in these early days since the budget address last Thursday, I think the document is seen to be fairly positively received by most of the Northwest Territories community. Generally speaking, I think it has been characterized as a spend-and-invest kind of budget. I would like to reiterate, Mr. Speaker, my support for the general direction of the strategy of the government at this time. This economy, I believe, Mr. Speaker, is going to need all the capacity we can give it over the next few years and the kind of move the government has expressed it wants to carry out are in line with building capacity.

I think we also have to be careful in one sense in how we project ourselves as a government to industry, not only here in the Northwest Territories but industry across Canada and to our neighbouring governments and the national government. With the scale and scope of development that we have out there on our doorstep and largely into the door here, Mr. Speaker, our message should be one of optimism and one of a fair amount of fiscal aggression.

If we hesitate, if we balk, if we doubt ourselves and our confidence in the future, I think this is the kind of message that will roll out there and be picked up by industry, by our neighbours and as the saying goes, could well become a self-fulfilling prophecy.

Again, Mr. Speaker, my general support for the strategic direction. With a borrowing limit of \$300 million, the budget suggests that we will be at a net debt limit of \$251 million by the time the fiscal year is complete, essentially leaving us with a \$50 million balance. For the most part, Mr. Speaker, I am

comfortable with that degree of exposure, if you will, and I am also comfortable with the quality of the debt that is assigned to those funds. I think we are in a reasonably comfortable position there.

The numbers, Mr. Speaker, really tell of an economy that is on steroids. Our final domestic demand will grow by \$472 million to \$2.7 billion, an increase of 20 percent. Total investment will rise to \$956 million, an increase of a staggering 68 percent. Employment will grow by three percent, I believe just over 20,000 of our people. Weekly earnings will reach \$851, up three percent, which is already, Mr. Speaker, up 8.8 percent from last year.

The numbers also tell a story that we are a "have" territory from my assessment, Mr. Speaker. Further, that we must press, as my colleagues have been discussing, that we deserve a share of these resources and access to a resource devolution plan and access to those funds.

Through the total revenues anticipated in this budget of \$806 million, \$540 million of that is coming from the federal government, or 67 percent. The documentation in the budget, Mr. Speaker, suggests that the federal government will earn in each of the next 27 years some \$818 million. I compare that to \$540 million that is coming into this government by the formula financing agreement and other transfers. I think this shows, Mr. Speaker, that we are, by that measurement, a "have" territory.

I guess it is no wonder that the federal government wants to keep us under their thumb. We have turned into a pretty good cash machine. All the more reason then, Mr. Speaker, for the government to keep up its pressure for resolving a devolution deal and to keep up the momentum on the Intergovernmental Forum processes, Mr. Speaker, in which we have put a fair amount of trust and confidence. I understand we are going to have to wait until early April until the next real event comes along in that area, but we have to be optimistic and we also have to be demanding, Mr. Speaker, that this process does indeed give us some results.

On the major initiatives announced in this budget; roads, early childhood development, literacy, potential hydro export, employment...these are issues that we have talked about, Mr. Speaker, in this Assembly, in our committee meetings and in our Caucus meetings for the past year since this government took office.

For me, there is no great surprise. Government is now trying to bring these issues to ground in a format or way in programs and policies that we can now measure; we can anticipate; we can challenge; we can test. I am sure from the government's point of view, in some fashion we will be able to approve.

So this is where again I feel support for this because these are things, as I say, that have been talked about. Now the government is taking the instruction and trying to deal with them.

In the critical areas, I guess I will look at three or four topics here, Mr. Speaker. If we are facing a slight surplus, we are anticipating a slight surplus, and we would be theoretically hopefully looking for balanced budgets for at least the next few years, why then does the government continue to keep the hotel tax on the books? This is a tax that has generated a very negative response so far from the public. There are some

pockets of support for it, but by and large, it is a plan that is not well received and I think at this time, not even well-known or understood by a number of people. That is probably why it is so unpopular right now.

Again, though, I would ask the government, why is this tax still on the books if our financial situation, as my colleague Mr. Roland pointed out, has taken such a gratuitous and positive turn?

The cumulative impacts, Mr. Speaker, of some of the measures that the budget contains, I mentioned the hotel tax. The highway toll is fairly well understood. There will be new airport and transportation fees. We have already heard the discussions about the increases anticipated and the need upon us for power and energy, Mr. Speaker.

These are impacts on the cost of living in the North that are going to be coming in or that are indeed with us now in this fiscal year and the next few months ahead.

So you will be hearing more from me, and I think from my colleagues, Mr. Speaker, about the cumulative impacts of all of these factors, some of them within government's control, some of them not. We are expecting, Mr. Speaker, to do a good job of anticipating and managing these impacts on the pocket books and on the backs of the Northwest Territories citizens. That is my assessment right now. We have to be careful with the cumulative impact.

While the highway toll seems to be, at least in its early days, reasonably well understood and I think accepted, I will be looking for some more information on the amendment or the adjustment, Mr. Speaker, to the cost of living increase, which I believe is a good way of offsetting the cost that we will all experience through this. However, the issue for me will be one of how can it be applied equally for all residents when indeed we will be experiencing different costs.

For instance, Yellowknife has some 600 kilometres of tolled road upon which it will be paying some fees. Compare that with Inuvik, where there are approximately 300 kilometres, and communities which have even much less. It seems that it is going to be difficult to come up with a way of equitably applying this. I will be looking for some information there.

Our greatest concern surrounding this budget, Mr. Speaker, lies in our capacity as a government and a civil service to implement and deliver these new projects. I think the civil service is already under extreme expectations to carry our existing programs.

We have a turnover rate in government, Mr. Speaker. I could not get an accurate number this morning but I am quite confident that it exceeds ten percent. However, what I am looking for as we layer on these new initiatives and these new incentives, hopefully or potentially what other programs or policies or initiatives might be coming off the table that are going to make room for all of these new things that we want to do.

One assessment is new positions that the government is going to be asking for, a total sum of 45 new positions. Information suggests that the Department of Justice alone will be absorbing 44 of these. My understanding is that these are already in large part existing jobs that are being folded into the civil service.

What I am not seeing, Mr. Speaker, is evidence that we are bringing in new people, new strength, to implement and carry through these programs. That is my greatest concern. Can we deliver? Can we implement and do it with quality?

I will be looking forward to the details of implementation and plans that are practical and doable and that will not put stress on an already taxed workforce. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. Item 10, replies to the budget 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 the 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. Bill 19, Appropriation Act, 2001-2002; Committee Report 5-14(3), Standing Committee on Accountability and Oversight Report on the 2001-2002 Main Estimates; Committee Report 6-14(3), Standing Committee on Governance and Economic Development Report on the 2001-2002 Main Estimates; Committee Report 7-14(3), Standing Committee on Social Programs Report on the 2001-2002 Main Estimates, with Mr. Krutko in the chair.

ITEM 20: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Krutko): We have several items before the committee. Bill 19, Committee Report 5-14(3), Committee Report 6-14(3), Committee Report 7-14(3). What is the wish of the committee? Mr. Dent.

MR. DENT: Thank you, Mr. Chairman. I would like to recommend that the committee consider Bill 19 and Committee Reports 5, 6 and 7 concurrently. Specifically, that we start with general comments on Bill 19 and then perhaps move into consideration of Health and Social Services.

CHAIRMAN (Mr. Krutko): Does the committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Krutko): With that, we will take a short break and begin with Bill 19.

--Break

CHAIRMAN (Mr. Krutko): I would like to call the committee back to order. We are discussing Bill 19. At this time, I would like to ask the Minister responsible if you have any opening comments. Mr. Handley.

HON. JOE HANDLEY: Mr. Chairman, no, I do not. I gave the budget address. I do not want to read it again.

CHAIRMAN (Mr. Krutko): Thank you. General comments on Bill 19, Appropriation Act, 2001-2002. General comments. What is the wish of the committee? Is the committee prepared to go department by department?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Krutko): We will move to the Department of Health and Social Services. The Minister responsible for the Department of Health and Social services, do you have any opening comments?

HON. JANE GROENEWEGEN: Yes, thank you, Mr. Chairman. Mr. Chairman, today I am pleased to present the 2001-2002 Main Estimates for the Department of Health and Social Services.

For the 2001-2002 fiscal year, the department is requesting a total of \$182.811 million. For the 2001-2002 fiscal year, the department has been allocated approximately \$17 million in forced growth and new initiatives. Six million of this funding does not appear in our main estimates as it has been set aside in supplementary appropriation reserves pending completion of current system reviews and audits that will allow us to propose appropriate allocation of these funds.

The remaining \$11 million in forced growth and new initiatives, which is incorporated in the estimates, is offset by the reduction of \$5.5 million in funding for the federal Non-Insured Health Benefits Program, about which I spoke earlier today. Adding in other budget adjustments, the net increase shown in our main estimates is \$7.3 million. The budget is allocated to five main areas:

- Directorate and corporate services, \$25.9 million, which includes system leadership and development, planning, policy and legislation, monitoring and evaluation, administrative support, program and service development, population health and human resources;
- Health insurance programs, \$33.4 million, which includes supplementary health benefits, physicians programs and out-of-territory hospitals;
- Primary and acute care programs, \$91.3 million, which includes inpatient and outpatient services, medical travel, public health and chronic care;
- Children's programs, \$10 million, including monitoring and evaluation of programs, residential treatment, foster care, child abuse prevention, early intervention and adoptions; and,
- Community health programs, \$21.9 million, which includes children in care and early intervention.

Just over half of the budget is allocated to the direct delivery of primary and acute health care programs, including inpatient and outpatient hospital services, public health, care for chronic conditions and medical travel. A further 34 percent of the funds is dedicated to children and community health programming as well as health insurance programs. The remaining 13 percent of the budget provides funds for department responsibilities and special initiatives.

The department's forced growth of approximately \$4.8 million has been kept to a minimum. Nearly half, close to \$2 million, of this growth is attributed to increased medical travel. We know that medical travel has outpaced our overall population growth, due in large part to our growing seniors population. Past experience tells us that forced growth in medical travel will continue to rise.

Other areas of forced growth include physician programs, board expenditure increases, immunizations, foster care, adult and child placements in southern facilities for specialized care and our required contribution to establishing a new national blood service.

The department is also requesting just over \$6 million to invest in the following critical areas:

- Investing in the primary care model by stabilizing the physician workforce, \$2.8 million;
- Negotiating the extension of the nurses market supplementary for one more year, \$1.5 million;
- Improving child protection and family support services through the addition of extra staff and training, \$1.2 million;
- Providing additional staff to support expanding telehealth access in new communities, \$222,000; and
- Developing cost-effective and culturally appropriate supported living through a group home for the disabled, \$280,000.

Additional funding has been identified for the department that does not appear in the main estimates. This includes new federal funding commitments through the Canada Health and Social Transfer announced at the First Ministers' meeting in September specifically, as well as new targeted funding for primary care, early childhood development and medical equipment. The Government of the Northwest Territories Maximizing Northern Employment initiative will also provide some funding to increase nurse mentorship allowances and guarantee the hiring of every new northern nurse and social work graduate.

Finally, \$2 million has been allocated for each of the next three years to invest in early childhood development. The department is working with the Department of Education, Culture and Employment to develop an action plan, which will describe specific activities in the areas of healthy pregnancies and infancy, healthy parenting, early childhood learning and community supports. Along with Minister Ootes, I look forward to working closely with the Standing Committee on Social Programs to ensure that the early childhood development initiative provides all children in the Northwest Territories with a healthy start in life.

The department anticipates that as in past years, additional forced growth expenditures will arise in 2001-2002, particularly in the areas of medical travel and board operational expenses. Medical travel is by its very nature responsive to the needs of individuals requiring medical care and as such, can be difficult to forecast from year to year. As Members know, just over \$136 million, over 76 percent of the budget, is allocated to our health and social services boards for the delivery of services. Board operational expenses have proven more difficult to forecast in recent years, with boards experiencing unanticipated deficits. The forced growth reflected in the main estimates represents the best information available for forecasting at this time.

The current system-wide review will provide recommendations to improve accountability and reporting at all levels of the health and social services system. Mr. Chairman, I want to emphasize that we have excellent people working in all regions and at all levels of the system, many of whom are working under very difficult conditions to provide the best possible services to residents. I would like to thank them on behalf of all Members of this House for their commitment and dedication. We need to ensure that in our desire to bring improvements to the system, we keep a positive and constructive focus aimed at making the system work better for the benefit of all people, not only those who need the services, but also those who provide them.

Mr. Chairman, I am very pleased to note in their report that the standing committee is prepared to work with the Minister and the department to address the problems and improve the situation. I welcome the collaboration and advice of all Members as we work together to improve our health and social services system for all residents.

Mr. Chairman, this concludes my opening comments and I look forward to a full and vigorous discussion of our budget with Members. Thank you.

CHAIRMAN (Mr. Krutko): Thank you, Madam Minister. Does the chair of the committee responsible for overseeing this department have any opening comments? Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. The Standing Committee on Social Programs met on January 16, 2001, to review the 2001-2002 Main Estimates for the Department of Health and Social Services. The members noted a \$3,414,000 increase under the compensation and benefits to cover the costs of the new collective agreement with the Union of Northern Workers, and a further \$4,895,000 in forced growth for such things as medical travel, immunization programs, hiring of the first ten social workers to meet the recommendations of the Child Welfare League of Canada Report, foster care, southern placements, and enhancing independent living programs in the Deh Cho.

The committee also noted a \$5,500,000 reduction under health insurance programs relating to the return of the responsibility for the Non-Insured Health Benefits Program to the federal government; a \$54,000 reduction for physician programs and a \$500,000 reduction related to the inability of the department to secure title to the former properties of the Northern Addiction Services.

Members had several concerns with the Department of Health and Social Services. These concerns were primarily in the ability of the department to provide quality information and the department's relationship with the boards.

Signs of Difficulty

The members of the standing committee expect departments to have clear plans based on blue-chip information, to be explicit in how they intend to implement those plans, and to report back on the results of changes and initiatives in a concise and informative way. For a number of years, the Department of Health and Social Services has been unable to provide quality information in both financial and program areas to the standing and special committees of the Assembly.

Over the past two years, there has been a slight improvement in the development and reporting of some general statistical information on health. However, adequate information necessary to make accurate and informed decisions about programs and expenditures continues to be unavailable or of poor quality. The department has consistently failed to demonstrate that issues were in hand and that there was a comprehensive approach based on top quality data.

Two issues were raised during the business plan review that, in the view of committee members, indicated that the department remains in a perpetual planning phase, unable to move forward on the hard realities facing the health and social service system.

The first issue was a contract to review health care sustainability being sole-sourced to a southern contractor with no tender process. The committee sees this as essentially a review of the governance system deciding which facets of the health care system the boards or the department control.

Members of the standing committee were concerned that not only was the contract for the review of health care sustainability sole-sourced, but that the chosen contractor was from outside the Northwest Territories. Members are always concerned when a contract of this size, \$300,000, is awarded to a southern contractor. The concern is even greater when no other northern or southern contractors had the opportunity to participate in a competitive bidding process.

The results of the review on the sustainability of health care may now be in question because of the closed way in which the contractor was selected, and the resulting speculation at the board and other levels about why the decision was made. There is a concern that if the department hand-picked the contractor, they perhaps also hand-picked the results of the review.

The committee's second issue was the addition of two new senior manager positions, an associate deputy minister and an assistant deputy minister for population health and clinical services.

Members of the committee noted that they had been pushing for the department to increase its ability to monitor the clinical side of health care. It is hoped that the appointment of an assistant deputy minister for population health and clinical services is a first step in improving monitoring.

While the department did attempt to explain the need for the two new senior management positions, no explanation was provided why this was not identified as a critical need in October during the business plan review. Yet, members noted that the senior staff were appointed and in place by January.

The department indicated that there are emerging pressures on the system caused by the boards' deficits, and that the department is dissatisfied with the quality of information that they were able to provide over the last two years. It was also revealed that this led to the department being unable to provide the quality of advice, analysis and support necessary for decision-makers to make informed decisions. The department said this contributes to a growing sense that the system is out of control and the department believes that there is little it could do to make the necessary changes to sustain the viability of the health care system in the absence of quality information.

Committee members were told that the department required short-term senior management help to oversee operational and payroll audits for boards in difficulty, and to coordinate what is hoped to be the final review of the health care system for quite some time.

The standing committee agrees with the department that there are serious problems, both operationally and with the quality of information and resultant decision making. There was a suggestion that the latest governance review and the addition of the two senior manager positions would make the difference. Committee members sincerely hope this is the case and that the next business plan will see a department which is proactively dealing with the important issues that are part of its mandate.

Now that there is a shared understanding of the challenges facing the department and health and social services system, the standing committee is prepared to work with the Minister and department to address the problems to improve the situation.

Board-Department Relationships

The standing committee is disturbed by the apparent animosity, distrust and disrespect that seem to characterize the relationship between the department and the health and social services boards. In our opinion, this is having a significant negative impact on the health and social services system, and on the ability of boards to develop services for residents.

It is truly disappointing that the situation has reached its current low point, particularly since two years ago the department created the board support and health services division complete with a director position, tasked with the specific role of improving the reporting and overall relationship between the department and the health and social services boards.

The committee does not believe that the difficulties are a necessary outcome of having boards and a department involved in the delivery of services. If we look at the school side of Education, Culture and Employment, the boards are well established, in relatively good financial health, and maintain a cooperative working relationship with each other, the department and the Minister. The joint recruiting drive for teachers this January is just one example of how this type of system can work.

Of particular concern is the financial status of most health and social services boards. Although we are close to the end of the current fiscal year, some boards are still operating without budgets or deficit recovery plans approved by the department. At a time when we are encouraging advance planning, these boards are operating day to day. Fingers are being pointed in both directions with the department suggesting they cannot get accurate information from the boards to allow for decision making, and boards suggesting that the department does not have the expertise to adequately support them in either financial or operational matters.

It is critical for the effective functioning of our health and social services programs that a positive, cooperative relationship be established between the department and the boards. This will take considerable effort and leadership from the department, but it is essential. The members of the standing committee look forward to hearing from the Minister on what steps the department will take over the next six months to improve the

quality of interaction with the boards and create a mutually supportive and respectful relationship.

Mr. Chairman, I would like to call on the deputy chair, the honourable Member for Deh Cho, to carry on with the reading of this report. Thank you.

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

MR. MCLEOD: Thank you, Mr. Chairman.

Non-Insured Health Benefits (NIHB)

The standing committee supports the general concept of returning responsibility for the NIHB program to the federal government. However, that support comes with a number of concerns.

A smooth transition process from territorial administration to federal is important to those accessing the program. Members expect that a detailed transition plan has been developed to ensure continuity of service and would like to receive a copy of that plan by March 15, 2001.

Although responsibility for the program is being returned to the federal government, the Department of Health and Social Services continues to have a mandate to address the health concerns of all residents. This should include an advocacy role on behalf of residents with regard to the NIHB. In particular, the territorial government should monitor changes to the program and carry out the necessary lobbying to ensure that the needs of residents covered by NIHB continue to be met. This ongoing monitoring and advocacy role should be specifically assigned within the department.

Members are also concerned about the Metis health benefit program. This program was developed, in part, to complement the NIHB programming available to those status individuals. The committee would like a commitment that the return of the NIHB will not negatively impact on the level or delivery of the Metis health benefit.

Medical Travel Policy

The committee appreciates that the department and the relevant boards have addressed the medical travel concerns of Kakisa residents and have instituted a plan that everyone agrees on. However, this does not address the broader concerns with the medical travel policy. Residents of small communities wonder why medical travel does not apply when someone travels on their own initiative for medical purposes or seeks a second opinion when dealing with a serious medical matter. The medical travel policy, as it stands, does not address the inequities in access to medical services for those who happen to live in larger centres and for those residents of smaller communities who can only access a similar level of service at their own expense.

Committee members recognize that these are complicated issues and that medical travel is a major cost driver within the health and social services system. However, from a perspective of fairness and equity, if a second opinion reveals additional information which aids in the effective treatment of an individual, the individual should be compensated for the personal expense they incurred to obtain that second opinion.

Members raised this issue during the June 2000 review of the 2000/2001 Main Estimates but, as of yet, have received no response from the Minister. The committee requests a response by March 15, 2001.

Recruitment and Retention Issues

The standing committee has repeatedly requested specific, detailed information from the department regarding the success of the various elements of the recruitment and retention plan. The department currently has a team of three full-time staff working at the headquarters level, exclusively on recruitment and retention issues. On October 27, 2000, the standing committee requested further information on the components of the recruitment and retention plan. To date, no response has been received. Without this information, it is difficult for the committee to determine whether the significant funding currently invested in this plan is having an impact, whether there are any more front-line health and social services workers and whether the length of time they remain in their positions is increasing or staying the same.

Nursing

There are two areas of specific concern regarding nursing. The first is the issue of the nurses' supplement. This supplement is nearing its end and the government will have to determine, once again, how to handle the issue of compensation for nurses.

Committee members are unaware of any specific work being done to find a long-term solution to the issue beyond the stopgap use of the nurses' supplement. There is also a lack of clear information regarding the effectiveness of the supplement in both recruiting and retaining nurses. The committee looks forward to information on how the department plans to address nurses' compensation, while acknowledging the impact of any such strategy on other occupations with similar recruitment pressures.

The second area of concern regarding nursing is the apparent lack of coordination in trying to recruit nurses. Committee members have been told of instances where one health and social services board will attend a recruitment event, only to discover that other boards are also there delivering a similar message. One of the elements of the recruitment and retention plan was supposed to be coordination of these efforts between the boards and the department. The committee would like to receive detailed information on what coordination takes place with the boards on recruitment.

Strategic Initiative Fund

The committee notes that the Strategic Initiative Fund has moved beyond its original purpose and is, by the department's own admission, funding programs which should be included as part of the base funding to boards.

This becomes readily apparent upon examination of the information provided by the department to the committee on the programs that are being funded by the strategic initiative fund this fiscal year.

While there may be some advantage to maintaining some discretionary funding that can be used to fund worthwhile projects, such a fund should not be utilized to pay for programs

that should be part of the base. If a program funded under the strategic initiative fund is ongoing, or has become institutionalized as part of the core services that the board offers, the money to run the program should become part of the base funding to that particular board.

Members were of the opinion that the strategic initiative fund is being used to fund programming that could be considered as part of the core services that each board is expected to offer. The original intent of the strategic initiative fund was to help boards fund additional programming over and above what they are required to.

Concern was expressed that the way the strategic initiative fund is administered could be unfair to the smaller boards. The larger boards have the resources and personnel to develop and submit comprehensive proposals to access funding. The smaller boards, because of their inability to develop proposals, may be systemically penalized in accessing funds.

Should the strategic initiative fund be discontinued and the funding converted to part of the base, the Standing Committee on Social Programs will expect to see rationale presented that explains the fair and equitable distribution to the boards.

CHAIRMAN (Mr. Krutko): Thank you, Mr. McLeod. At this time, I would like to ask the Minister if she would like to bring in any witnesses. Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Yes, I would.

CHAIRMAN (Mr. Krutko): Sergeant-at-Arms, could you please escort the witnesses in? Madam Minister, for the record, could you please introduce your witnesses?

HON. JANE GROENEWEGEN: Mr. Chairman, with me today I have Penny Ballantyne, deputy minister of Health and Social Services, and Warren St. Germaine, who is the director of financial and management services. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Madam Minister. Welcome, witnesses. General comments? Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. This is the first department and we are dealing with one of the biggest budgets in government. It is a critical area that affects every man, woman and child in the Northwest Territories, and it is very clearly in a state of some distress.

Mr. Chairman, there is a sense, I know that in my constituency, and when you read the newspaper, listen to the radio and watch any kind of northern newscast, there are significant problems out there that this department has to face. There are a number of concerns, yet as we pointed out in our report, there seems to be a perpetual state of planning and study going on. The department goes from one high priced review to another, with no real long-term action to implement. I think there is a considerable amount of uncertainty in the department. There clearly seems to be significant friction in terms of the government side, administration side. Once again, we have chosen to bring into the North a southern contractor to give us the answers as to how to fix up the Department of Health and Social Services; how to make things better, how to get the system on track and functioning.

"Mr. Chairman, every dollar that we spend on consultant's workshops, meetings, travel and committees is another dollar that we take away from our health services. After all these studies, I think we know what we need and what we want to do. I know that we can work together to solve this problem and find a northern answer to this very northern challenge. I ask both sides of this House to do proactive work on this problem. I suggest that we start by using the data that we have already gathered and spend proposed funding for further studies on taking care of our people. Study time is over. It is time to get down to work. It is good to seek input from other people, but as leaders, I think that the people expect us to stop asking questions at some point and start answering them."

Mr. Chairman, that is a quote from Hansard, July 30, 1999, from Mrs. Groenewegen, the current Minister of Health and Social Services. I think it is as relevant today as it was back then, 18 short months ago when the debate was over the Med-Erg Report and over the other studies that have been going on. Here we find ourselves still mired in significant problems.

Mr. Chairman, we have to somehow come to grips with the governance issues. As the Minister has pointed out, at least in my constituency and I think across the land if you look at her comments, the problem is not so much in many cases the clinical side or the service to the people, it is more the administration side, the ability of the department to work with the boards. Also, between the boards and the department to be able to count the money that is being spent, have the proper human resource practices.

It is doubly confounding when you look at education, for example. As we have indicated in our report, the divisional boards appear to have a fairly cooperative working, positive relationship with the Minister. The DEC's all have surpluses. They do constructive planning together and they seem to get things done. When you look at the many municipalities, Fort Smith, Hay River, Inuvik, Yellowknife, and probably many of the smaller ones, the community councils, the community governments are able to run the programs, deliver services to all the people and do it in a proactive, constructive way. Yet year after year -- this is my fifth year at the table and probably going on my sixth budget -- we hear that and the problems seem to be exacerbated, that they are not near any conclusion.

I know and will acknowledge that there are things that drive the system; the doctor shortage, the nurse shortage. However, Mr. Chairman, clearly that is not where the fundamental structural problems exist.

We are taking all sorts of steps to bring professional people in and to keep nurses and doctors and social workers. What we cannot seem to get a handle on is how do we run administratively and from the government's point of view?

My concern is that the department sees the health boards as one of the sources of the problem. When you look at the Minister's statement to this House on Friday, February 16, 2001, there were six items listed. Five of them seem to clearly point to the problems with the health board. My question to the Minister has been where is the department in all this? These boards are the creatures in government. They are the

creatures of the Department of Health and Social Services running under their many pieces of legislation.

When I look back to 1996, there was a unilateral, arbitrary decision made by Health and Social Services to turn over all the funding to health boards. It was basically done cold turkey. There was no clear audits done to say we the government are turning over the keys and the money to the health boards and here is how the numbers add up and here is the state of the union and the financial statement. Now from here on in, you folks administer it.

They just picked up the process and they picked up the money and the responsibility in mid-flow. I have been told repeatedly, at least in my constituency, that a lot of the problems that are being brought to light go back before the boards had the final authority and all the money to administer.

Mr. Chairman, I am hoping through the course of debate over the next day or two that we will get a clear sense that this is a shared responsibility, that we are not looking for a whipping boy. We are not looking for somebody to be the scapegoat. We are looking to provide a system that delivers high quality, stress-free health services and is not going to chew up and spit up the volunteers that sit on the health boards trying to do the job and that the people at the headquarters level, the people providing the leadership and overseeing the structure of this department and the very many pieces of legislation and policy that guide it can come to an agreement, an understanding of how they are going to do this. I for one am not particularly enamoured with the idea of re-centralizing, of putting all the pieces back in place and to disenfranchise and disempower boards.

The other concern I have tied in with this whole process and this big review that is going on, the Cuff review, is that there is no potential as far as I can see when I look at the terms of reference to look at other options like community service boards. I understand now that the government has pulled back from their review of regional administration and structure, but very clearly there is a relationship, what kind of regional structures you are going to have.

In my community, I think it is an option that should be looked at, the whole issue of a community services board. The South Slave, very clearly in my opinion, history has shown that regional operations do not do well, be they regional councils or divisional boards of education. Hay River has agitated long and hard for a number of years to pull out of the district education council, so it makes no sense to be looking at possibly trying to institute some kind of regional structure.

By the same token, I do not think it makes any sense just to possibly blow up the health boards and say that the problem is gone, now we will be able to do good work on behalf of the people of the Northwest Territories.

In my opinion, if everybody comes to the table, there is common ground here. I think communities are not going to give up and fight very hard to keep their hard-fought involvement and direction and control that they do have over health services at the community level. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Miltenberger has covered quite a wide range of subjects and I will attempt to address a few of them. He states that the system is in a state of distress and he has a sense of a significant problem. That is a correct assessment. That is what we are seeing as well.

We are seeing that because these problems have come to our attention, we need to take a proactive position with them and try to address them. There are many pressures on the health and social services system, and we as a government and as a department and myself as a Minister have a responsibility to ensure that there is a sustainable quality of service for health and social service programs in the Northwest Territories.

We are not arguing with that observation. We are stating that is the case and that it is now important to identify what the most appropriate solutions are to those problems.

Mr. Miltenberger refers to a quote from an old Hansard. In fact, I do very well remember...

-- Interjection

HON. JANE GROENEWEGEN: ...only 18 months old, indeed. He has also used the phrase that we are in a perpetual state of planning. Well, the Cuff review was intended to take and is taking into account those previous things such as the Med-Emerg Report and the Minister's Forum on Health and Social Services, so that the information that was gathered as a result of those reviews will form a backdrop, or a background if you will, to the kinds of recommendations that are coming out now. We are looking for pragmatic recommendations.

As far as these being not made-in-the-North solutions to northern problems, I can tell you that we felt that the Cuff and Associates team was just the right mix of professional and experienced credentials that could help us come to a program or decisions about resolving some of these issues as expediently as possible. I guess if there are any more questions, we can speak more to that.

There were some advantages to having people coming in from outside, not the least of which are the credentials of the review team themselves.

As far as the comparison to the education boards, there are a few things that I want to say about that. First of all, of course, government-wide, we are happy that any structures that governance has put in place that they are working well and doing what they were intended to do. However, it is difficult to compare education boards and health and social services boards. They are quite different and you also have to bear in mind that the Government of the Northwest Territories is not held responsible for health particularly for as long a period of time as we have had jurisdiction over education. So there is definitely an element of growing or evolving that capacity to deal with these things at a regional, community level.

So the Member's observation about the education boards working well, that is indeed good news. However, my focus is on how we can come back to this House and report that the health and social services governance structures and system is also working well. Definitely, there is a shared responsibility.

The Member refers to there being no desire to disenfranchise or disband boards. I think he used the words...I do not even want to repeat them. We have no intention of treating the volunteers who have come to the table to help us deliver these programs and services in the communities and in the regions with any kind of disrespect. We recognize that it is a shared responsibility and, as I stated before in the House and in my statement on the condition of the system, I do not believe that pointing fingers or trying to lay blame is a constructive exercise at this juncture.

I think that we need to stay very focused on constructive and positive ways of addressing this because we are at a time when there is a tremendous amount of pressure on this system. We can ill afford to negatively impact the morale of any of the people who work on our system at any level.

We should just, as I mentioned in the Minister's statement today on the physicians, be very thankful that we have been able to recruit and retain the level of professionals that we do have here within the department and also within the employees of the various boards. We certainly do not want to discourage any of those folks who we believe are doing the absolute best job they can do under very difficult circumstances in some instances.

So I agree with the Member that there is a common ground. It is our intention and it is my intention to take a very proactive stance and approach to the concerns that have been identified and find the best solutions that we can to those in cooperation with the Members of this House. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Madam Minister. General comments, Mr. Roland.

MR. ROLAND: Thank you, Mr. Chairman. Just a few points and a few items of concern that I have dealt with over the year and particularly with the department and how this budget might address them, or maybe it does not.

Something that is a big thing that I am looking at here is the projections and the changes in the fiscal situation. We have been looking at the end of March 2000 actuals, total operations and expenses for the department were \$170 million. Main estimates for this fiscal year we are in started off when we passed in July of \$175.5 million. Revised now, we are looking at \$182 million. That is \$6.5 million more since July.

As I see it in the main estimates now projected for 2001-2002, we are projecting less than an \$800,000 increase. Is that realistic, in light of the growth this department has seen every year for many years?

I think the practice used to be we would always see a five percent growth, but are we realistically putting the accurate figures here? When I look at a one-year difference of almost \$12 million to what we are predicting of \$800,000, are we looking to budget outside of that later on? Maybe we can get some information on that area. I have a couple of other questions that I have later on, but specifically to that right now, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Roland. Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, the projections that we have been able to put

together have perhaps not been as accurate as they could be. We have had to rely on information that had come to us.

When we look at it, 75 percent of our budget is devolved to the boards. We rely very heavily on information in terms of projections and we recognize that these projections may not be as accurate as they could be and that is the reason why we have a \$6 million dollar supplementary reserve set aside, pending the final outcome of the information that we are anticipating to assist us with that information.

Another factor that makes it difficult to project costs exactly is that there are quite a number of expenses associated with delivering health and social service programs, which are not controllable costs.

Maybe if Mr. St. Germaine or Ms. Ballantyne have anything that they would like to add to that. That is just a general overview. Maybe the specifics of those differentials, maybe they could add something to them.

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

MR. ST. GERMAINE: Thank you, Mr. Chairman. The difference that the Member is looking at of \$800,000, you need to factor in a couple of things. There is a \$5.5 million reduction for NIHB that is coming off of the budget. As well, there were some one-time costs during 2000-2001 relating to the purchase of the clinics in Yellowknife of approximately \$3 million. So those one-time costs are reflected in the main estimates for 2000-2001 and are repeated in the following fiscal year.

So that helps explain why it only looks like \$800,000, when in fact it is significantly more. Thank you.

CHAIRMAN (Mr. Krutko): Thank you, Mr. St. Germaine. Mr. Roland.

MR. ROLAND: Thank you, Mr. Chairman. I thank them for that information. However, I did hear today in the Minister's statement that the return of Non-Insured Health Benefits might not be as eminent as initially stated because of some news coming back from Ottawa saying that they will pay up some of the money. My understanding is that there still is half of it on the table to be discussed. So hopefully we will not bite the lion too soon.

Again, in the other areas, because one of the things that has been of particular concern right through the previous Assembly that I sat in was medical travel and how that fluctuated for quite some time, between years even.

I am aware that there have been initiatives undertaken by health boards and a number of health boards have gotten together to try to lower their costs and deal with an RFP that was put out. However, to my understanding, there is still no agreement out there and that initiative has had to be pulled and is going out again.

Now you get calls from everybody talking about their side of the story, but it is a concern that we can be operating this late in a year and have something that is as important as medical travel sit out until, for one reason or another, this whole thing is redone to the expense of both department boards and operators out there. So that is an area of concern.

The other one is in recruitment and retention. We heard mentioned earlier under recruitment and retention that there would be boards that would go out and find other boards in different places. I am aware that Inuvik Regional Health and Social Services Board has tried to go under recruiting initiations. When they put their plans into the department, they were told to hold off that part of the recruitment and retention team needed to go with them and there were some other requirements there.

I am hoping that it is not just requirements you have to meet but in fact that there is a working together to try to reduce costs in that area. I am not sure if somebody goes from the department with every health board when they go on a recruiting drive, for that can get fairly expensive unless you are actually working together to benefit the North. As boards are, it can be fairly competitive when it comes to recruiting nurses and doctors at the present time.

Those are a number of concerns in general right now and I will wait to go into detail on some of the specific issues. Looking across the government, we talk about fuel increases, the power costs to government and so on are still going up. So hopefully with these reductions that have come out when it talks about, in fact we might see it go up again another \$5 million if any Non-Insured Health Benefits come back on the books, so we could be looking at \$187 in that area or more, and some of these other costs.

This government is planning to put out some new fees that would impact air carriers out there when it comes to how they bill this government. So we are going to see it there again. So I do not think that we will see costs go down in this area. In fact, we might be seeing more. Hopefully that has been taken into account in this number and there may be some projection built in, at least minimum, for the time being. Thank you.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Roland. Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Roland refers to recruitment efforts on behalf of boards and the insistence in some instances of the department becoming involved. We agree with the committee that there needs to be more coordination in the recruitment efforts amongst boards, because otherwise you do have duplication of efforts and we do have dedicated personnel that are involved in recruitment and boards do not have that.

They do not have the same ability to oversee these kinds of things. I think that one of the instances that you referred to in terms of recruitment where the board wanted to get involved had to do with an attempt to recruit people who were coming from overseas, which was particularly complicated in terms of how they were going to get here, how they were going to be looked after when they got here, how they were going to address the credentials and insuring that their registration and in fact the number of people there might have been anticipating or are anticipating recruiting would probably be more than just for that region.

So it was a clear case where there was definitely value added by the department becoming involved in that, because there were a lot of complex considerations in that particular initiative. That is all. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): General comments. Mr. Dent.

MR. DENT: Thank you, Mr. Chairman. My comments are going to relate to the operation of Health and Social Services boards of management. I am encouraged that the Minister says that she wants to report to this House that health and social services are working well. I think that we all want to hear that report and fairly soon.

It sounded to me in her response to Mr. Miltenberger like she was not catching what he was trying to say. It was that we have an example where one department seems to have a very collegial relationship with boards. I know as recently as five years ago that the department in that case was very concerned about whether or not boards would be able to really provide the services here because almost every single one of them five years ago was in a significant deficit situation. However, by working supportively with boards, that has been turned around. All of the boards are now in a surplus situation and I think there may be a model there to take a look at.

I think that is really what we are saying. There may be ways to improve on the administration on how boards are doing it. I think we need to also take a look at how this government and the department in particular relates to boards.

I appreciate too that the Minister says she does not want to discourage volunteers who contribute to the administration of boards. I know that we have discussed at the committee level. It is something that concerns me. Because of the frustrations that I am sure a number of board members must feel in those boards in particular that are in deficit right now, the whole process for trying to deal with those deficits, the whole process for trying to get budget approved and I think there is a real problem here.

I was very concerned when I heard the Minister, in her statement on Friday, say that she was not expecting to have final answers in terms of how to deal with the boards and their deficits until June. I think that is way too long. I think that people have gone through most of this year without actually having an approved budget. I know that we have had some discussion about this, about whether or not we have approved budgets for all of the boards right now. In fact, the boards do not know whether or not they are going to have to recover the entire amount of deficit that they are building up this year. So I would say that by my definition, they do not have approved budgets if they do not know what portion of the deficit is liable to be covered and what portion is not.

I think that it is going to get more and more difficult to keep good volunteers working on these boards if they know that for a period of more than a year they are going to go without knowing just what the future holds in terms of the administration.

When we are having trouble recruiting, I think it makes it very difficult for the teams to generate a positive atmosphere around the health facilities, because the people at those facilities are concerned about the decisions the boards might have to make. If they are in fact going to have to recover entirely from these deficits from within the amount of funding that is being provided, it is going to mean dramatic cuts to programs.

I know the Minister has said that no cuts will be permitted that impact on patient services or services to the public, and I

appreciate that commitment. I think the board members are increasingly frustrated because they do not see any possible way that they can in fact recover from those deficits without impacting on patient services.

I think that we are in a situation where we put a lot of dedicated volunteers on a number of boards in a situation where I am sure that they are about ready to throw up their hands and quit. I think that would be a very sad day if that were to happen. I think we could lose a lot of good experience.

I would like to ask the Minister if there is not some way in which we could deal with these situations. First, let us take a look at the Stanton board. We know that the board has been told by the department that closure of the surgical ward has not been approved. That was proposed as one measure that would have saved the board approximately \$300,000 in a year.

Has the department told the Stanton board that at least that much funding will be added to their budget to allow them to continue the operation of that ward? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Dent. Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Dent as well raises quite a wide variety of subjects. I will try and respond to some of them. His concern that we will not have recommendations to implement until June, I agree that is quite a ways off in view of the urgency of some of the situations we are facing. So we are going to attempt to get the recommendations from the Cuff review expedited if at all possible. We do not want to cut the discussions and the interviewing and the gathering of information short. However, I do agree with the Member that it does seem like that is quite a ways off.

In the instances where boards can show us that there were costs increasing that were outside of their control, forced growth, those kinds of cost drivers, we are obviously very open to receiving that kind of information and we know that can have quite an impact on budgets. We are committed to resourcing boards adequately so they can deliver the programs and services that we expect them to deliver.

However, I think it would be premature to suggest that there are not other problems which do exist that may be contributing to those costs. There is a lot of autonomy and a lot of authority that has been delegated to boards, so there does tend to be quite a bit of latitude in terms of discretion on how money should be spent. This is what has created a problem for us to some extent, that although the accountability in the big picture lies with the department, a lot of the authority in terms of the decision making lies with the boards. So I think that as a result of this system-wide review, we are going to be able to show you some of the problems that the gap in the system might create.

As far as the funding to the boards, every board is operating with a contribution agreement that has been signed and, albeit it is difficult where boards know that they have significant deficits and until those kinds of deficit issues are addressed, we know that it is troublesome to them.

The review is going to recommend the best approach to the funding, including an evaluation to the surplus retention deficit recovery policy that we have in place right now. So that is

something that is also being looked at by this review as well. So we do not have any preconceived outcomes on what the consultants might have to say about that.

In comparing the education boards to health boards, health boards undertake a lot of functions that education boards do not. For example, pay and benefits is a fairly complicated, sophisticated function which education boards do not undertake, but health boards do regardless of the size. So when you do not have a centralized office that is providing those kinds of services, you do need quite a high level of capacity at community and regional levels to undertake and make sure those things are done properly.

When the Member talks about the collegial relationship between the department and boards in education, I have to tell you that I do not get the same sense. It was referred to as well in the committee's report when it talks about animosity and I cannot remember the other words that they used there between boards and the department. I am sorry, I do not have a sense of that particular...it is really difficult to kind of response to kind of anonymous, vague observations about things like that without any real detail around them. I do not know if it is even fair to portray that without something to back it up because it is difficult to respond to unless Members can be specific about it. That is not my sense. My sense is that in the years prior to when I was involved with this department, and certainly since I have been involved with this department, that the people in the department have played a very supportive role to the boards and have done everything really in their power to support the boards in the functions that they had to perform. So just a comment on that as well.

With respect specifically to the Stanton board, like I said, we are open to hearing about costs, expenditures, things that are driving their deficit, but we need good information if we are going to evaluate those explanations when they do come forward. We have a responsibility to ensure that it is good information because we cannot make decisions based on incomplete information. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Madam Minister. Mr. Dent, I will put you back on the list. I know you have another question, but your ten minutes are up. Mr. Delorey.

MR. DELOREY: Thank you, Mr. Chairman. Mr. Chairman, I am not going to go over the figures that the department has laid out in their budget. I see that a number of Members are covering that. I am going to approach it from a little bit of a different point of view right from the start with the the vision of the department. I can sympathize with the department with the many different areas that they have to cover and some of the very fundamental services that have to be provided to the people.

However, when you look at the vision of the department, self-reliant, healthy, well-educated individuals, families and communities doing their part improving the quality of their own lives, I think that whole vision says an awful lot to the people of the Territory if we can enforce that in some way.

The way I look at health and social services in today's age, unless we do get our people educated and get them to take some responsibility for their own lives, for themselves, for their kids, we are going to have a hard time keeping up with the cost of providing the service. We can throw as much money as we are throwing into the highway system and unless we get the

people educated and be prepared to be responsible for their own lives and their kids, we may not be able to keep up regardless of how much money we put to it. That is not going to get any easier.

The way I see it in this whole Territory, as we open up the Territory to economic development, increase the populations, increase the payrolls, the money out there, all that has a very strong bearing on our ability to deliver social programs. I think it is going to be critical that we supply the education to the people and make it in the forefront as much as we possibly can for people to take some responsibility.

I see it as being a big challenge too and the people who are trying to provide our programs today, I think there is an awful lot of overload in the people we have out there right now. We are operating short-staffed whether it is doctors, whether it is nurses, assistants. We have an awful lot of shortages in non-governmental agencies that provide programs that are directly related with health and social services. In a lot of cases, we are not even able to provide the funding and the support that we should be giving to these very basic groups. When you have day cares, when you have women's shelters, intermediate homes, help for single mothers, it is all part of trying to get our people healthy and educated and looking after themselves and being proud of who they are.

In a lot of cases, we cannot keep up with the funding or we are not putting enough priority on it to do that. I think we have to get really serious about that and do it. I know we like to keep our communities healthy and give them the ability to provide the services, but I look at my own community and we are up to three weeks waiting time now just to get an appointment if you have a health issue, if you are sick. You phone and it is at least three weeks to get in to see a doctor. Well, in three weeks, you are going to be dead or you are going to be better. Why even bother? Most of the time they do not even bother going. There are definitely problems in that area. I know that recruitment is hard for doctors and nurses, whatever. It is not only hard for the department here, but is tough right across Canada right now. That is what they are saying.

However, somehow, somehow we have to find some doctors and some nurses. We have the hospitals. If we do not have the doctors to put in them, we are not doing much.

Although I sympathize with the department for having a hard time finding doctors and recruitment, if it is more money, whatever it is. Baseball teams seem to have one of the best teams, if they put the right money out there. The people do come.

So I think for my community, Hay River, it is high time that we get some doctors and nurses in there and have a good complement for the hospital because if we do not pretty soon, I can see us deteriorating from where we are now, from the people that are there getting frustrated, overloaded and not being able to answer to the people's needs. I think it is going to start showing up in a negative way if we do not do something positive for our people. Thank you, Mr. Chairman.

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

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, Mr. Delorey refers to the issue of personal

responsibility and I think that is something that we do need to talk more about. You are right.

How much money will it take to address all of the needs and all of the problems? Are we making some progress on some of the challenges? Are the resources that we do have being spent in the most effective ways possible to obtain measurable results and outcome?

It is a really interesting question that Mr. Delorey raises in terms of how do we engage people to work with us and work with the system to take as much responsibility as they can to help secure their well-being.

You can make as many programs and services and opportunities available, but we have to encourage people to take the initiative to participate and be concerned about illnesses that are caused by things that are preventable and things that are lifestyle choices. That kind of discussion we need to do more work on because it is challenging to keep up.

It is not just here. It is everywhere. You just have to pick up any national newspaper and you can see that, in almost all of the jurisdictions in Canada, there is a real challenge to try and stay ahead of the needs that are always there.

Mr. Delorey also refers to the issue of funding and supporting NGOs and that is a very important part of our system because people who volunteer to work with non-government agencies, people who are employed with them, really help us in the tasks, goals and objectives that we are trying to reach.

We again want to really encourage them because they add a lot and we can certainly see the results of the good work that they do and the benefits of partnering with NGOs and the results that we are trying to accomplish.

The situation with the shortage of physicians in Hay River -- and now we certainly have a challenge in Fort Smith, as well -- the department is very attentive to those needs and we have had quite significant success in stabilizing the situation here in Yellowknife where, as most of you remember, I think Ms. Lee referred to it in her statement today, that it was only about a year ago when we were down to a very desperate situation here in Yellowknife as well. The problem is that when things get to that point, they continue to spiral down and deteriorate.

So we are hoping that with the standardized physician contract as a recruiting tool and trying to address some of the unique situations in some of the smaller communities that we can do more to make sure that the professionals that are needed at the community and regional level are there.

We need to really capitalize on the positive things about doctors and nurses and health care professionals, social workers, practising in the North. There is an opportunity to come here and, from what they tell me, enjoy a very varied and diverse practiced scope of practice and I think that is something that is attractive to them.

We think that our remuneration packages for professionals is very competitive right now and that is something that we have been attentive to because we do not want the lack of that to be a contributing negative factor to our recruitment efforts. So we think that is very positive.

I think that a well-structured, well-organized system is something that people will be attracted to as well. A system that is run in a very professional and modern way because that is very important to people's ability to carry out their jobs and certainly people will want to make sure that their work does make a difference and has a positive impact. We have to create the environment in order for them to do that. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Mrs. Groenewegen. General comments, Mr. Bell.

MR. BELL: I am going to save most of my comments until we get to detail, but I did want to touch on a few areas. A lot of it has been covered already in the committee's report.

Specifically first, recruitment and retention. I would echo the concerns that we have heard, that obviously we do not have the kinds of dollars where we can be squandering them at recruitment fairs, competing against various boards and various other northern, Northwest Territories boards because that is not going to get us where we need to be.

I know that the situation in Yellowknife has certainly improved, as Mrs. Groenewegen alluded to, from a year ago and Ms. Lee touched on that in her statement today. However, I think we can see how quickly situations can deteriorate. Things have moved very quickly in Fort Smith and I guess less quickly in Hay River, but we certainly have emergency situations in those two communities now.

I think one of the things that we have to be cognizant of is that, and I think we heard this at the ceremony in the Great Hall last week, physicians or health professionals, like any other occupation, will be key in recruiting and retaining professionals in the area.

People looking to come North will certainly look to the health professionals who are here and see how well we are supporting them and how well we are treating them and how competitive we are. Obviously, money is an obvious one. However, I think there are more factors than just money involved here.

Certainly we have to have adequate housing in communities for nurses if we are going to hope to keep nurses in these communities. It seems really obvious and simple, but I think we can do all of the recruiting missions we want, but if the situation is not adequate for them in the smaller communities especially, then we are going to have a hard time filling those positions.

So I believe that recruitment and retention has to probably be centralized in some capacity. Whether the boards can be doing this on their own may be another issue, but certainly there has to be some coordination here.

I would also like to see the department's initiatives tied into the Maximizing Northern Employment Strategy. I think the Premier had some very encouraging words in this area. Recruitment is one piece of this puzzle, but clearly if we can employ and hire Northerners, people who grew up here and went to school here and are interested in living here, I think that will be much more successful in the long run.

So I do not know if guaranteeing jobs is how we go about this. I do not know if that is feasible. However, we certainly have to

make sure that we put the pieces in place for this Maximizing Northern Employment Strategy that can help us in this area.

I also wanted to speak quickly to the area of health promotion. I know our committee report does not touch on it as much this year and maybe it was not as highlighted for us, with all of the other things going on, but I think it is very important for us to realize that we do have a serious problem, obviously, in FAS/FAE.

I know we are going to spend some \$2 million, I saw the newspaper article today on FAS, this year. However, I think we are really going to have to focus on this area. I think we are going to have to have people whose sole job revolves around helping us deal with education in the area of FAS.

I do not think we can look to the federal government for any help in this area. If the amount of money that they have earmarked for FAS is less than \$2 million a year nationwide is any indication, it is really pathetic. I think this speaks to the fact that this is not something that is at the forefront for them, but it is for us. So it is going to have to be an issue where we take the bull by the horns and deal with it on our own. Clearly the federal government has not recognized the problem, and it probably is not a problem to the same degree in some southern jurisdictions as it is here. We have to have an effective way of dealing with this. I do not think they are going to be much of a help.

I have raised concerns with contracting. It is not specifically just to this department, but in the past couple of times there have been sole-sourced contracts go to southern firms. I will not dispute the Minister's insistence that we are talking about contracts that require a specific level of knowledge and expertise, and I have no reason to doubt that, and it is very possible that that expertise is not available in the North. However, some pieces of these contracts could clearly be done by northern contractors. I would like to see this government, not just this department, look to insisting that if we need a southern firm on some of these, northern firms can partner up with them to do some of the work.

If we do not look to do something like that, we will never build the capacity here, and this work will continue to go south. Not only is the money gone but the expertise is gone as well, and there is no passing on of any of this information. It is possible at this time that a contract of this nature, like the one that had to happen here, but if we exclude the North, clearly the next three times we need to do similar projects we will have to go south as well because we will not have any ability to deal with these things in the North.

I would like to see this department -- and maybe the Minister can speak to this, it is a political question -- but I would like to see the department truly try to involve northern firms in some of this work.

The last point I want to raise is the issue of the combination of the surgery and pediatrics at Stanton. I think we all know now that the department has insisted that the hospital reopen the surgery ward and separate these, but it is going to be a matter of finding enough nurses to reopen both wards, and there is an active recruitment drive to get nurses. I know I am getting a lot of complaints from constituents who have friends, who know people who may themselves have been at the hospital for surgery, and whatever the arguments may have been -- that there were economies of scale, that there were resources that

could be shared by combining the two wards. We have had a lot of complaints and people say, "Can you imagine trying to recover from a surgery with lots of kids buzzing all over the place and being in a ward?" Especially for elderly people who are in for surgery. I do not see how this ever could have made any sense to anybody, and clearly the testimonies from people coming back saying, "What was going on here? How did this get this far down the pipe that we actually took the steps of, for a year, stop replacing nurses when they were leaving because we were planning to do this?" It seems ill-conceived. That is the response I am getting from constituents.

I know that we are looking to deal with this matter and hire nurses, and the situation is only going to improve or change as fast as we can hire people to fill these vacancies, but clearly I think this was a bad idea. I am glad we are looking to get out of it. I hope it happens quickly, especially for my constituents and all the people of the North, because it does not seem to make any sense. Thank you.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Bell. Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, I concur with most of the comments that Mr. Bell makes. I could critique them and put my take on them, but I agree with him that the recruitment and retention, the competition amongst boards, and the duplication and overlap of the efforts of boards is not a worthwhile expenditure of time, money or resources; and that the level of satisfaction with health care practitioners who are already practising here is our biggest testimonial if you hope to be attracting more professionals to come here. That is the first thing that people who are thinking of coming here do, is talk to the people who are already practising here, so it does have a significant bearing on how they feel they are treated, whether they are appreciated, whether they are recognized for their work, and whether the environment where they work is conducive to them feeling they can do the best they can.

I agree with you that the recruitment and retention efforts at the very least to be coordinated by the department. Whether or not they need to be centralized is something that we continue to discuss.

The Maximizing Northern Employment Initiative is very exciting, and Health and Social Services are working very closely with ECE on this strategy. We do see in the long term that the training and employing of Northerners in the health care field is a very viable solution to the kinds of pressures we feel from the national and international competition for health care professionals.

FAS/FAE is an area where we should be definitely taking a leadership role and turning our attention as a government. Our statistics, as you know, still do indicate that 30 per cent of women who are pregnant in the Northwest Territories would still consume alcohol. That is very frightening, given the projected costs of providing support to an individual with FAS or FAE over the course of their lifetime, not to mention the loss of their potential as well.

The recently announced federal money, although any money is always welcome, certainly I agree with you that \$850,000 per year nationally is not going to probably put a big dent in the problem here in the North. I think that we as a territorial

government really need to pay close attention to this issue because the dividends and the return that we will see on investment now and early intervention in dealing with these problems will be very significant in the future.

I think that is all I have to say on Mr. Bell's comments. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Madam Minister. Next on my list I have Mr. Nitah.

MR. NITAH: Mahsi, Mr. Chairman. Mr. Chairman, the Health and Social Services Department is one of the largest departments of this government. Certainly the health of all Northerners is a concern. FAS is a major problem that we are facing in the Northwest Territories. Another major problem is the high rate of cancer amongst our people, especially in the smaller communities. Those issues are addressed by the standing committee's report and other Members of the House.

What I specifically want to touch on today is the long-and short-term health benefits that the GNWT wants to give up, the contractual arrangement with the federal government. I keep getting different answers. The Minister in her Minister's statement today indicated that if the discussions worked out, the department would advise the Financial Management Board to continue for another year and would monitor the delivery of programs and services we have with the federal government in relation to the non-insured health benefits.

In her comments today in front of this committee, she indicated that \$5.5 million of this budget is not in the budget. So the first question I have, if they are going to continue delivering the programs, I guess we will have to go through supplementary appropriation, which shows a very short-sightedness by the department, from my perspective.

The immediate question I have, this is a program that the Government of the Northwest Territories has been delivering for the last 12 years on behalf of treaty aboriginal people and the Inuit people. People are familiar with what an individual has to do to get services. I am not sure how the department is going to handle someone that needs to go to Edmonton for medical assistance. What is a person going to do if he has to go and get glasses, or dental work, or prescription drugs? Those are immediate questions.

I am not comfortable with the fact that the department has done any kind of consultation. If they have, I would like to know what they consider consultation? Have they met with the chiefs of the Dene Nation, et cetera? Have they met with the Nunavut government in terms of the Inuit benefits? Have they met with the Inuit people who are living in the Northwest Territories? How is that going to affect them? Those are the immediate concerns that I have.

Another question that I have is the department is saying that the federal government is not paying for a lot of the services the government is doing. It is not paying for services that they agreed to, to begin with 12 years ago. What services has the federal government declined to pay? What objects have they declined to pay for? Is it medical travel? Is it glasses? If so, has the Department of Justice and the Ministry of Aboriginal Affairs been involved in that? Under the contractual arrangement, they agree to watch over and deliver programs and services that are aboriginal and treaty rights. If the federal government has

declined to pay for those, then the treaty rights of these individuals, treaty Indians and Inuit, are being deteriorated.

Has the department protected the treaty rights of the Dene people and Inuit people? Those are some of the questions that I have and I will give the Minister a chance to respond to some of those. Thank you, Mr. Chairman.

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

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. The NIHB Program has been modified by the federal government. Policies have changed from time to time over the 12 years that we have administered it.

We administer it so when someone receives the services, we then bill the federal government to recover our costs. So there have been disagreements over billings, whether they should be allowed or not allowed under current policy and, at this point in time, we do not have a plan to turn this contract back to the federal government. Our intention now is to stay with it.

Now if the \$5.5 million expenditure goes back into the budget, so will the revenue which we receive from this program as well. So it offsets the expense of it.

If Members have concerns about the Government of the Northwest Territories' continued participation in delivering this program outside of the financial issues we talked about, that may be a different topic for us to consider and to discuss.

The concerns that we had around the program were associated with the approximately \$1 million per year that we had to subsidize in order to be the administrators and deliverers of these programs on behalf of the federal government. If those concerns are addressed, then I believe that we can continue to deliver it and the Government of the Northwest Territories may be the most effective and appropriate party to deliver that on behalf of the federal government, because people are certainly accustomed to the way that it is done now.

So we needed to have that discussion with the federal government and it has recently been more productive. If there are other concerns about the Government of the Northwest Territories fulfilling that role, then that is something that we would like to hear about as well.

For now, I think we can fairly safely say that if we can address some of these outstanding issues, we will continue to do it. We will continue to perform that task. I do not know what else. Let me see, I will take some notes here.

As to how you mentioned whether or not there will be a supplementary appropriation for the \$5.5 million, our ability to expend that money would come back into the budget. I am going to ask Mr. St. Germaine to respond to that and just explain a bit. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Mr. Nitah.

MR. NITAH: Thank you, Mr. Chairman. I think Mr. St. Germaine is going to be answering the question on how the \$5.5 million will be reintroduced back into the budget if the question is, if the department agrees to continue delivering the programs and services on behalf of the federal government in the areas of knowing short health benefits.

It is kind of troubling to me when 76 percent of this that comes from the federal government to deliver programs and services on behalf of the federal government, that when we do not get enough money, we give them back the responsibility.

The same is with the contractual arrangements, but what is a contractual arrangement outside of the Department of Health and Social Services? Almost everything that we do in the Northwest Territories as a government is on contractual arrangements with the federal government. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Nitah. Mr. St. Germaine.

MR. ST. GERMAINE: Thank you, Mr. Chairman. With regard to how the funding would be brought back into the budget process, the intent would be to bring it back in through work performed on behalf of other parties as opposed to the appropriation, so it would require FMB approval in order to do that. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Mr. Nitah, you have 35 seconds.

MR. NITAH: Thank you, Mr. Chairman. I appreciate you recognizing the time. In case that there are no satisfactory arrangements between Health Canada and Health GNWT, what is the consultation process? What is consultation in the eyes of the department? Thank you very much, Mr. Chairman.

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

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, just a couple of points. When the federal government devolved health to the territorial government and we are expected to pay that out of the....

AN HON. MEMBER: Devolved?

HON. JANE GROENEWEGEN: Is that the right word? Yes, when we took health, Mr. Chairman, in 1988 when the federal government devolved that authority and that responsibility to the Government of the Northwest Territories, this particular responsibility for NIHB was not included in that.

It is distinctively a contract as opposed to a devolved authority and responsibility. Since the federal government retains responsibility for that program, we should not have to subsidize that program by \$1 million per year out of the other money that they give us for other things.

That is \$1 million that we could be spending in our system on other things because that should be recoverable from them because they are responsible for that.

So I think that it is very important that we do not let them off the hook on that and hold them to that obligation, because the \$1 million, although it may be for a good cause, if it is legitimately their responsibility, then I think we need to make that argument.

If there was a breakdown in the negotiations with Health Canada to address the problems that we have with delivering a program, we would undertake to immediately contact the aboriginal organizations who represent the beneficiaries of this program and discuss with them how this might be delivered.

However, again as I sit in the House today, there would be no change to the types of services and products which are covered. There would be no change to the entitlements of the people who receive the service. It would simply be a matter of someone else doing it and we would ensure, I should say, that if someone else were taking it over, that there would be no disruption in that service to the constituents.

The plan, Mr. Chairman -- pending the results of some of the other discrepancies in the funding -- is to continue to deliver this program and see how it goes over the next fiscal year with the additional administrative support, which Health Canada has agreed is a legitimate cost associated with the program. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Madame Minister. Just a reminder that you go through your Chair with your comments. There has been some rebuttal going back and forth between individuals and the Minister and it is not being picked up. Please go through the Chair. Next on my list I have Mr. Lafferty and then Ms. Lee. Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. I just have one question. The question is the high turnover rates in some of the regions on some of the boards. At one time when we asked questions of the Minister in our briefing, we touched upon exit interviews. I am wondering where the department has gone with exit interviews to find out why we are having such a high turnover rate? Thank you.

CHAIRMAN (Mr. Krutko): Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. I agree with Mr. Lafferty that there could be a lot of information that could be gleaned from people who have serviced and have worked for a board and are leaving for various and sundry reasons. The issue is whether it is boards who are responsible for conducting those exit interviews and obtaining that information.

We can certainly remind them of the value of that information and talk with them about it. However, they are in fact the employees of the boards. They are not our employees. It would be difficult for us to conduct those kinds of interviews. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. As the territorial government we make policies and everyone follows those policies, like the income support. They make policies and we follow them. If the department can make policies that these health boards have to follow, then it should be followed.

As a territorial government we should be having that one survey which is very much needed, the exit interviews. If we do not have them, we do not know why our nurses are leaving. Why are our social services people leaving? Our employees are leaving us and we do not know why. I am sure that the department can put in policies in there that can be followed. Thank you.

CHAIRMAN (Mr. Krutko): The Minister responsible for Health and Social Services, Mrs. Groenewegen.

HON. JANE GROENEWEGEN: Mr. Chairman the department has agreed to fund a survey which would be conducted by the

NWT Registered Nurses Association and the Association of Social Workers of Northern Canada to conduct surveys. The kind of information that they would collect would include information about why people might have a level of satisfaction or dissatisfaction with their employment. So there is a survey which is being funded by the department which is ongoing. It will be completed and the information ready by March 15th, 2001. So we could look forward to the kind of information that might be contained in that report which might shed some light on the high turnover rates.

CHAIRMAN (Mr. Krutko): Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. I would like to ask the Minister if they can do exit surveys for the last four years or since the time we started having this retention problem. Thank you.

CHAIRMAN (Mr. Krutko): Madam Minister.

HON. JANE GROENEWEGEN: Mr. Chairman, I am going to ask Ms. Ballantyne to provide some detail on some of things that are ongoing right now within the department that could help with that kind of information. Thank you.

CHAIRMAN (Mr. Krutko): The deputy minister, Ms. Ballantyne.

MS. BALLANTYNE: Thank you, Mr. Chairman. The department certainly shares the concerns that the Member has raised and we are in the process of conducting an evaluation of the entire Recruitment and Retention Strategy looking at all of the components and evaluate how effective they have been.

This will allow us to make any adjustments to the strategy, strengthen those components that seem to be working, stop doing the things that are not as effective. That is currently underway and we will be sharing the results with standing committee members. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. I asked the Minister if they could include the employees that have left in the last three or four years. That was my question. If they could answer that, please.

CHAIRMAN (Mr. Krutko): Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman we do not always have knowledge of where people might be after they have left. So it might be difficult to track down people who have worked for the boards over a period of time like that.

Perhaps ones who left more recently would be easier to communicate with. However, ones who have been gone for a while, it might be difficult to undertake that. Certainly we are very interested in knowing why people leave. It is something in the review of the recruitment and retention policy that could be reinforced with the boards, the value of that kind of information in helping us to assess what we can do to enhance the retention of nurses. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Lafferty.

MR. LAFFERTY: Thank you. The reason I ask the department to do it is because the boards do not do it. If the boards do not have that information, then we will not know why they do not stay in the communities where the smaller boards are. I notice that most of the turnovers are in the smaller boards. I am sure if you went to Stanton and you asked those nurses where they were before, they were probably in the smaller community. That is probably where all the nurses are. The ones who leave Yellowknife are the ones who are going south. It is not very hard to track.

CHAIRMAN (Mr. Krutko): The Minister responsible for Health and Social Services, Mrs. Groenewegen.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, we will consider Mr. Lafferty's suggestion and try to come up with a plan whereby we could possibly speak to nurses who are leaving communities. I think that it is important to keep that kind of information.

When you have unusual high turnover rates, I think anomalies shed a lot of light on the subject. Perhaps it is something the department could look at if the boards agreed that we could assist with, because many boards would be quite familiar with why people are leaving. Sometimes when people are leaving, there might be a reluctance to even talk to the board itself about what the reasons were. It might be something better handled by someone with a little bit of distance from the actual person when they were in the working environment. Thank you.

CHAIRMAN (Mr. Krutko): General comments, Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. The reason I asked the department to do it is it may be it is a problem with the management or it is a problem with the board. Those are the reasons why I am asking the department, because the boards do not have to do exit interviews. You do not have policies for them to do it. Thank you.

CHAIRMAN (Mr. Krutko): Madam Minister.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, Mr. Lafferty is right. There could be an element of that reason for their departure associated with the working conditions or the relationship with their employer and they would be most unlikely to disclose that or discuss that.

There could be some very useful information come to light from something like that. We will work on that in the department to see if there is a way to, at least, if you are not catching all departing employees, try to at least catch a cross-section of them to help us get a better understanding of what some of the challenges for people working in the communities are. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Lafferty.

MR. LAFFERTY: Thank you, Mr. Chairman. I just have one more question about children in care out of the Territory. I was just wondering what the department is doing with returning some of those children in care?

CHAIRMAN (Mr. Krutko): The Minister responsible for Health and Social Services, Mrs. Groenewegen.

HON. JANE GROENEWEGEN: Thank you, Mr. Chairman. There are initiatives being undertaken under the continuing

care strategy. I am going to ask Ms. Ballantyne to elaborate on that.

CHAIRMAN (Mr. Krutko): The deputy minister, Ms. Ballantyne.

MS. BALLANTYNE: Thank you, Mr. Chairman. Mr. Chairman, as the number of children requiring southern placements continues to grow, we are looking at the reasons for those assessments and evaluating whether there is a potential to return those children close to home to receive the care that they require. Many of the children who are placed in the south require either specialized medical care or some type of treatment. The difficulty is in being able to provide highly specialized treatment in the North.

However, as I say, as the number of those children increases and if they were at a point where there are enough of them that it starts to make sense to, for example, be able to recruit the kind of specialized personnel that might be required, or to build a facility to accommodate them, then this is something that we are constantly monitoring. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Thank you, Ms. Ballantyne. General comments? Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, I would just like to get back to the broader issues of governance and organizational structures. The discussion has been a comparison of sorts between education and health and social services. When you put them side-by-side, they both have Ministers, they both have deputies, they both have ADMs -- of course, Health has the associate, which no other department has -- they have directors on down to managers. Then you get into the boards.

They also operate under the same kind of financial systems as departments. The FAA is the bible. They are supposed to be following the basic human resource policies and regulations of the government. Very clearly at this point, how the departments are operating are significantly different. They do have a lot in common as government departments.

The question is what is the problem with the systems in place in Health in terms of information, the financial relationships with the department itself and the boards...in all of these areas? It makes it impossible at this point to get the kind of accountability, the kind of monitoring and the kind of information the department says is lacking.

Clearly, there are some problems with the structures and how things are being run as we speak. There is a difference.

My understanding as well is that health boards and DECs have almost an equivalent amount of autonomy under their respective legislation. The DECs have a tremendous amount of authority to do things.

The question as well comes back to the acknowledged problems with good information, which has resulted in poor recommendations and inaccurate or possibly less than adequate recommendations to boards, committees, Ministers over the last couple of years. That brings into question the information in the budget. How is that impacted by that acknowledged shortfall of good, blue-chip information?

We have made a lot of decisions in the last two years based on the information that has been provided, accepting at face value that it was "good information." To me, that is a question that has to be addressed. We keep focusing in the discussion right back down to health boards, but the broader issues are still there in my mind.

The Minister said that she did not think the way we characterize our relationship between the boards and the departments was really fair or accurate. I would suggest that in fact it is fairly accurate. Once again, what you had in health up until very recently was health boards forming their own health care association so that they could better do business with the government in a way that seemed to be structured in quite an adversarial way. It has now been disbanded, but that whole mentality is still there.

I would say as well that those health boards that have no budgets at this point, at the start of another fiscal year, are at the very least very frustrated, especially when the issue is the department saying they cannot get good information from the health boards, that the health boards are not giving them what they need.

Mr. Chairman, there are some fundamental organizational questions that go from the very top of that department to the communities with their health boards. When you look at all of those relationships and all of those systems in place, the question I have to the Minister is what changes are they going to make? Not only looking at how the health boards run, but as the department runs, to ensure that they do have good financial information and accountability systems. The other human resource information and other operational information that you need is there. It is not a situation where we are in the 12th month of a fiscal year and the debate is, "We are not getting good information. We do not know what the deficits are." That brings us to the question of how accurate is this information in the main estimates?

My other final question -- and we are going to recognize the clock, I would imagine -- I would like to know Mr. Cuff's involvement, his previous experience in Alberta. Did he get his spurs in the rolling up of the health boards in Alberta? Is that where he comes to us from, with that sort of involvement?

I see that it is six o'clock, Mr. Chairman, so I will conclude my remarks at this point.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Miltenberger. With that, we will recognize the clock and report progress. I will allow the Minister to respond tomorrow. I would like to thank the Minister and her witnesses. Thank you.

MR. SPEAKER: The House will come back to order. Item 21, report of the committee of the whole. The honourable Member for Mackenzie Delta, Mr. Krutko.

ITEM 21: REPORT OF THE COMMITTEE OF THE WHOLE

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 19, Appropriation Act, 2001-2002 and Committee Report 7-14(3), and would like to report progress. Mr. Speaker, I move the report of the committee of the whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Krutko. Do we have a seconder for the motion? The Chair recognizes the honourable Member for Yellowknife Centre. The motion is in order. All those in favour? All those opposed? The motion is carried. Item 22, third reading of bills. The honourable Member for Yellowknife Centre, Mr. Ootes.

ITEM 22: THIRD READING OF BILLS

Bill 14: An Act to Amend the Student Financial Assistance Act

HON. JAKE OOTES: Thank you, Mr. Speaker. Mr. Speaker,

I MOVE, seconded by the honourable Member for Inuvik Twin Lakes, that Bill 14, An Act to Amend the Student Financial Assistance Act, be read for the third time.

MR. SPEAKER: Thank you, Mr. Ootes. The motion is in order. Question has been called. All those in favour? Thank you. All those opposed? The motion is carried. Bill 14 has had third reading. Item 22, third reading of bills. Item 23, orders of the day. Mr. Clerk.

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, meetings this evening at 7:30 p.m. for the Standing Committee on Accountability and Oversight, tomorrow morning at 9:00 a.m. for the Standing Committee on Accountability and Oversight, and at 10:30 a.m. for full Caucus.

Orders of the day for Tuesday, February 20, 2001:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Replies to Budget Address (4th of 7 allotted days)
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 Motions 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
 - Bill 19, Appropriation Act, 2001-2002
 - Committee Report 5-14(3), Standing Committee on Accountability and Oversight Report on the 2001-2002 Main Estimates
 - Committee Report 6-14(3), Standing Committee on Governance and Economic Development Report on the 2001-2002 Main Estimates
 - Committee Report 7-14(3), Standing Committee on Social Programs Report on the 2001-2002 Main Estimates
21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, the House stands adjourned until Tuesday, February 20th at 1:30 p.m.

-- ADJOURNMENT

The House adjourned at 6:00 p.m.

