



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

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## **HANSARD**

**Tuesday, February 7, 2006**

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**The Honourable Paul Delorey, Speaker**

# Legislative Assembly of the Northwest Territories

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### Speaker

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(Yellowknife South)  
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*Minister of Industry, Tourism*  
*and Investment*

**Mr. Bill Braden**  
(Great Slave)

**Hon. Charles Dent**  
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*Employment*  
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*Minister responsible for the*  
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**Ms. Sandy Lee**  
(Range Lake)

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*Minister of Municipal and Community*  
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**Mr. Robert McLeod**  
(Inuvik Twin Lakes)

**Mr. Kevin Menicoche**  
(Nahendeh)

**Hon. J. Michael Miltenberger**  
(Thebacha)  
*Minister of Health and Social Services*  
*Minister of Environment and*  
*Natural Resources*  
*Minister responsible for Persons*  
*with Disabilities*  
*Minister responsible for Seniors*

**Mr. Calvin Pokiak**  
(Nunakput)

**Mr. David Ramsay**  
(Kam Lake)

**Hon. Floyd Roland**  
(Inuvik Boot Lake)  
*Deputy Premier*  
*Minister of Finance*  
*Minister responsible for the Financial*  
*Management Board Secretariat*  
*Minister of Public Works and Services*

**Mr. Robert Villeneuve**  
(Tu Nedhe)

**Mr. Norman Yakeleya**  
(Sahtu)

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Tuesday, February 7, 2006****Members Present**

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

**ITEM 1: PRAYER**

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good morning, Members. Welcome back to the House. Orders of the day. Ministers' statements. The honourable Minister of Education, Culture and Employment, Mr. Dent.

**ITEM 2: MINISTERS' STATEMENTS****Minister's Statement 65-15(4): Celebrating Apprenticeship And Occupational Certification Week**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Good morning. February 2<sup>nd</sup> to the 9<sup>th</sup> is Apprenticeship and Occupational Certification Week in the Northwest Territories. This is a week when we celebrate the achievements of our northern apprentices and we thank our partners in business and industry for the investment they make in training.

A skilled and productive workforce would not be possible without the time and commitment of northern employers. Employers provide work opportunities so apprentices can develop the wide range of skills they will need to be successful journeypersons.

This week, we recognize apprentices and occupational candidates from all regions of the Northwest Territories. In particular, awards will be given to the individuals with the highest marks in their trades or occupations.

The current economy and growing resource development provides the North with many opportunities, but there are also challenges we must address if northerners are to successfully access the new jobs. Newly created jobs require highly skilled labour. Training and certifying northerners in designated trades or occupations is essential to ensure future development benefits northerners first. The Department of Education, Culture and Employment is addressing this need by continuing to strengthen its commitment to apprenticeship and occupational certification.

Currently, over 450 people are registered as apprentices or candidates for occupational certification in the Northwest Territories. During the 2004-2005 academic year, 64 apprentices completed their apprenticeships and 43 were awarded in the Inter-provincial Red Seal.

**SOME HON. MEMBERS:** Hear! Hear!

**HON. CHARLES DENT:** This means their qualifications are recognized in every province and territory in Canada. Another 46 northerners have been certified in designated occupations. I expect those receiving certification will be an important part of our territory's future.

In the coming year, the department will continue to support the Schools North Apprenticeship Program and to develop new high school courses to better prepare students for trades and other skilled occupations. A revised building Trades Helper Program will provide youth with exposure to construction trades in order to move into apprenticeship or to work as skilled labour on jobsites. We will also be introducing Ready to Work North, a job readiness program that provides essential employability skills for those entering the workforce. Mr. Speaker, these programs, along with the Deal Yourself In marketing campaign launched in the fall, demonstrates the ongoing commitment to support the trades and occupations in the Northwest Territories.

As well, we will continue to support innovative community-based activities that give students hands-on experience with the trades. For example, in several communities, students build small houses for elders with materials provided by the NWT Housing Corporation and with training from the college and schools.

The Department of Education, Culture and Employment will continue to work closely with the Apprenticeship, Trades and Occupational Certificate Board, Aurora College, and industry to work on new initiatives to meet labour market and skills training demands.

I hope everyone will join me in the Great Hall on Thursday, February 9<sup>th</sup> at 11:30 to celebrate the success of our apprentices and occupational candidates from across the Northwest Territories and to thank our partners in business and industry. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Dent. Ministers' statements. The honourable Premier, Mr. Handley.

**Minister's Statement 66-15(4): Minister Absent From The House**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Mr. Speaker, I wish to advise Members that the Honourable Michael Miltenberger will be absent from the House today to attend a Canada Northwest FASD meeting in Edmonton. Thank you, Mr. Speaker.

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

**ITEM 3: MEMBERS' STATEMENTS****Member's Statement On GNWT Support For Day Care Facilities**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, my statement today is on the government's involvement in childcare services in Yellowknife. As we are all aware,

Yellowknife is a very expensive city to live in. Most parents have to rely on day care and day homes to provide childcare because, in most cases, both parents have to work in order to pay the mortgage, the rent and other household costs.

I believe that government has an obligation to parents to ensure that there is adequate space and that there is a level playing field. It has come to my attention that there is not a level playing field in Yellowknife. I have a number of questions surrounding why this is the case. Day cares all receive the operator subsidy, which is dependent upon the number of spaces that they provide. There is a day care association in Yellowknife that operates from what I understand is a government-owned facility. This is not their own fault; just the reality.

I still do not understand who really does own the building. I think the GNWT owns it, but I am not quite sure. Does the GNWT own the building or does the association own the building? The reason I raise this issue is I know Public Works and Services pays all the maintenance costs, property taxes, et cetera, on the building and the association only pays the utility costs. There is no rent paid to a landlord, no property taxes paid and, like I said, I am not certain who actually owns the building.

My point is that the Government of the Northwest Territories does not treat all day care facilities fairly. There are other day cares in the city of Yellowknife that also get the operator subsidy, have to pay rent, they have to pay maintenance and utility costs and everybody has fixed costs for teachers.

I would just conclude by saying that whatever we can provide day cares is a great investment in the future. I believe that it is time to be fair to all day care providers, and I would encourage the Government of the Northwest Territories to address the inequities that have been created. Mr. Speaker, at the appropriate time on today's Order Paper, I will have questions for the Minister of Education, Culture and Employment, the Honourable Charles Dent. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On High Operating Costs Of Small Businesses**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I would like to speak today about the high cost of doing business in the Northwest Territories, especially for the small businesses in the city, Mr. Speaker. Mr. Speaker, when people see a long line-up for coffee at Tim Horton's or in one of the many popular mom and pop restaurants around town, people assume they must be raking in the money. Many of them are bringing in good revenue and some of the franchises are breaking national records, but, Mr. Speaker, the cost of doing business is taking away most of their profit margins making them wonder if they should continue to work 24/7 just to see more and more of their revenue be taken away by one government agency or another.

Mr. Speaker, there is a lot this government can do to ease the burden on this situation, and they are very

disappointed that the latest budget did not have much in that regard. Mr. Speaker, according to the pre-budget submission by the Canadian Federation of Independent Businesses, which works with about 230 small businesses in the North, says that the top five business burdens and business killers include a total tax burden, shortage of qualified labour, government regulations and paper burden, and ever skyrocketing WCB premiums. Mr. Speaker, WCB premiums, I can tell you, have almost tripled in the last three years, which is an issue I am going to be dealing with at a separate time. Mr. Speaker, I would like to see this government reduce all of these burdens as soon as possible and I will be calling it to task during this session.

The shortage of labour, Mr. Speaker, is a huge issue. I was talking to one of the mom and pop restaurants. She was complaining that she had to go through 79 employees in the last year, and she was talking about that to a more high-end restaurant business in Yellowknife who came back to say he had to hire 250 employees just to see them go. It is a huge problem and it's about time the government spends more time trying to address that issue. If we spent as much time as we do on looking after ATCO...sorry, the Novel housing, for the small businesses, I think we might see some equity and equal opportunities for small businesses, as well as the big ones. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Supporting The Secondary Diamond Industry**

**MR. BRADEN:** Mahsi, Mr. Speaker. Mr. Speaker, I would like to raise some concern about the policies and actions of our government regarding the secondary diamond industry and see if we can find out where this government is going with regard to supporting this increasingly valuable industry.

In 1998, Mr. Speaker, a policy framework called Support to the Diamond Processing and Manufacturing Policy was approved, and since then, our government has been very aggressive on trying to build a secondary diamond industry, get some value from this resource, particularly since we don't get any direct royalty benefit from it, at least not yet, Mr. Speaker.

We've achieved a number of good things here. The Department of Education is to be congratulated for the world-renowned cutting and polishing courses it has developed. In 2002, our government certified the first Canadian Arctic diamond and launched a web site to promote this product. Industry has also shown its optimism by making investments here. Government has provided loan guarantees to help develop a secondary industry. Some of it has been very risky, very expensive, and some of it hasn't worked, but that's the cost of doing development.

We are also recognizing the tourism opportunities through another report called the Perfect Setting: Diamond Tourism in the NWT. We have the Rare in Nature campaign, and the National Round Table on Diamonds

was hosted in Yellowknife, Mr. Speaker and an action plan for the Diamond Strategy was unveiled.

You know, we seem to be having some second thoughts about a few things of late, Mr. Speaker. What was known as the diamond projects unit has been shut down and functions of it have been dispersed. In 2005, the Minister intended to withdraw and release official marks that we worked very hard to do so. He has since backtracked on that. We've also decided, Mr. Speaker, after showing tremendous leadership nationally, to withdraw from the National Diamond Strategy.

So while we have made great progress in obtaining some benefits from the secondary diamond industry, we are getting signals here that we don't really know where we are going. That's what I am going to be asking the Minister about later on today. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Quality Of Tu Nedhe Housing**

**MR. VILLENEUVE:** Mahsi, Mr. Speaker. Mr. Speaker, today I would like to talk about the housing situation in my constituency. During the past couple of weeks, I have been receiving inquiries about the quality of the trailers that were delivered to Deninu Kue and Lutselk'e as part of the market initiative this government has, and the quality of the onsite setup.

Some of these concerns are that the trailers have been about ice forming on the inside of all the windows. This has been a mild winter, Mr. Speaker. People are saying that during a normal minus 30 degree winter, these windows would be complete blocks of ice. Water lines are continuously freezing up, and the floors are cold and the furnaces are always running.

Issues on site setup are on issues of levelling, or lack of, Mr. Speaker. The trailers are not sitting firmly on their foundations. Tenants are saying that the whole trailer shakes when people are either coming up or going down the front steps of their houses. The trailer also vibrates and shakes when the washing machines are on spin cycle.

Mr. Speaker, I will reiterate the fact that the Housing Corporation has to be more diligent when it comes to overseeing the development of our housing projects in our northern environment. This exercise will enable our public dollars to be used for more things like education, health or infrastructure, and not for constant or continuous repairs to many of our new housing units, Mr. Speaker. Then there are repairs on these repairs, as is often the case.

Mr. Speaker, many times we have to be the big brother looking over someone's shoulder to ensure that the proper procedures and standards are adhered to from start to finish in all our housing projects, so that our new homeowners can be confident that the huge lifetime investment that this government wants them to commit to will be really worth what they are really willing to pay for. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Sachs Harbour Water Treatment Plant**

**MR. POKIAK:** Thank you, Mr. Speaker. I rise today to raise an issue with regard to the Sachs Harbour water plant upgrade. In the summer of 2004, the Department of Public Works and Services contracted out the water plant upgrade in Sachs Harbour. Mr. Speaker, the Hamlet of Sachs Harbour, on numerous occasions, complained of problems with the pipeline freezing up over the 2004-2005 season, thereby the employees having to drill a hole in the lake to withdraw water for the community.

Mr. Speaker, this may have been okay in the 1970s and '80s, but here we are in 2006 where the hamlet employees once again have to drill holes to withdraw their water.

Mr. Speaker, I received notice on Monday, February 6, 2006, that the water intake, once again, froze on January 30, 2006. The hamlet has been more than patient since the upgrade started in December of 2004. On my recent trip to Sachs Harbour, January 9<sup>th</sup> to 12<sup>th</sup>, and on my subsequent return to Yellowknife, I spoke briefly with the Minister of Public Works and Services about the problems the hamlet was encountering with regard to the water treatment plant and the freezing of the intake pipeline.

Mr. Speaker, knowing that there were freezing problems over the winter of 2004-2005, and the department having to travel to Sachs Harbour on numerous occasions to identify the specific problem, what initiatives to date has the department taken to rectify the problem? Mr. Speaker, we are in early 2006 and the problem of freezing has already been encountered in the water intake. When will the department, once again, once and for all, fix the water intake problem? At the appropriate time, Mr. Speaker, I will have questions for the appropriate Minister. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Procurement Strategies To Foster Aboriginal Business**

**MR. MENICOCHÉ:** Thank you, Mr. Speaker. Mr. Speaker, negotiated contract policies in the North are colonial, inadequate, and out of touch with the growing dynamics and needs of the Northwest Territories, especially in the small and remote communities with considerable aboriginal populations.

Our negotiated policy, Mr. Speaker, is from a colonial and paternalistic past wherein the all-powerful Commissioner, by his grace, allowed communities to negotiate a contract without a competitive bid process.

Communities I represent, Mr. Speaker, indicate they wish to be primary beneficiaries of government contracts that affect their community. This is possible by instituting a public program similar to the federal aboriginal Set-Aside

Program that allows departments to enter into local contracts with aboriginal communities and businesses.

The federal government's aboriginal Set-Aside Program has been in existence for the past 10 years. I would like to take this opportunity to explain that it provides opportunities to aboriginal suppliers and contractors. The opportunities we are talking about are not just peanuts, Mr. Speaker. In 1997, 3,200 aboriginal businesses were awarded \$44 million and recently, 2004, 6,000 aboriginal businesses were awarded \$245 million. Programs like this greatly assist community economic development initiatives and capacity building.

This government should have similar procurement strategies for aboriginal businesses for communities with almost all aboriginal population, as it is absurd to award a contract to non-local or southern businesses with no aboriginal ownership, Mr. Speaker. I will have questions for the appropriate Minister at the appropriate time. Mahsi cho.

---Applause

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

#### **Member's Statement On Trades Certificate Programs In The Sahtu**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I just want to talk more about the trades certificate program in our region. There is a high interest from all leaders going and taking the initiatives to get our younger people into an education where there are programs out there that support people going into trades, upgrading their education skills, and taking the Apprenticeship Program. Even the Department of Education, Culture and Employment has a few programs with the Apprenticeship Program, offering industry and other private organizations in the construction business to take on these journeymen. However, Mr. Speaker, it seems that there is a gap between companies not really willing to take on the apprenticeship of a young person from a region, or they seem to have some difficulties in finding work. There seems to be some level of playing field that we are not on equal footing with, as with other people. We had some people from my region be deferred, as they call it, because there is not an uptake from Imperial or other oil and gas companies that outside of that came into the Sahtu and got a job just like that with the Apprenticeship Program. It seems that there is not an equal playing field for our tradespeople. There are a lot of people taking the Apprenticeship Program. However, there seems to be a gap in terms of how we get these people placed with these industries and organizations that make our successful program in terms of the leadership in education.

I am not too sure, Mr. Speaker, in terms of these impact benefit agreements, how strong they are, because we seem to be running up against labour laws that seem to override these IBA agreements, and these labour laws seem to put more weight into these workforces that they want to hit with the impact benefit agreements. I will ask the Minister what they are looking at in the future. Thank you.

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

#### **Member's Statement On NWT Apprenticeship And Occupational Certification Week**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, this week is Apprenticeship Week in the Northwest Territories. Given the nature of our economy and the importance of the trades, it is fitting that we give apprenticeship a high profile.

Mr. Speaker, the unprecedented economic growth that we have been seeing, and will continue to see in the future, would not have been and will not be possible without the essential work provided by tradespeople in this territory. In the next several years, the demand for apprenticeship and trades jobs will be larger and will increase at a faster rate than any other sector in the NWT. In 2005, we had approximately 800 individuals working in trades jobs. By 2008, 2,900 people are projected to be working in the trades. This is an increase of 265 percent. Mr. Speaker, in order to meet this demand and ensure that northerners can take advantage of this incredible opportunity, we must continue to develop tradespeople and support apprenticeship and occupational certification programs here in the Northwest Territories. These are critical strategic investments. What good are a strong resource development industry and a strong economy if we do not make sure that northern residents get the most out of the diamond mines, oil and gas development and other projects?

Mr. Speaker, I would like to congratulate every NWT resident that has completed, or is currently completing, an apprenticeship program. I would also offer encouragement to all those who have similar aspirations. We need you to make our vision of a strong and prosperous NWT a reality.

Mr. Speaker, I would also like to congratulate the Hay River residents who received special recognition for their outstanding achievement in their area of work and study. They are Don Carriere of Hay River with Kingland Ford Mercury Sales automotive service technician; Cory Tybring in floor covering installing with Wesclean Northern Sales; Michael Buhler heavy duty mechanic with Finning Canada in Hay River; and Peter Lagan in Hay River with BHP Diamonds as an industrial instrument technician. Mr. Speaker, I would also like to make mention of the fact that the top two of the three top graduating apprentices in the Northwest Territories this year are from Hay River: Peter Lagan and Jason Young.

Mr. Speaker, I would also like to take this opportunity to thank the many Hay River businesses who are in the private sector, but participate in the Apprenticeship Program and sponsor these young people to realize their aspirations in the area of trades and occupations. Thank you, Mr. Speaker.

---Applause

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

### Member's Statement On Legacy Of The 15<sup>th</sup> Legislative Assembly

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, much of the history of the aboriginal people is through storytelling that is passed on from generation to generation. A hundred years from now, I would like to see our descendants tell a story of the brave Members of the 15<sup>th</sup> Legislative Assembly. They can speak of the Assembly, lead by Premier Handley and Finance Minister Floyd Roland, getting a deal from Ottawa that gave us our resource revenue sharing deal. This deal allowed them to enjoy the benefits that they have today: billions of dollars in our trust fund, Mr. Speaker. Not only that, the story would continue with Minister McLeod and MLA Pokiak leading the way in constructing an all-weather road from Wrigley to Tuk and then on to Paulatuk. They can tell of how it dropped the cost of living down. They can also speak on the housing mandate still being worked on.

---Laughter

They can tell of all the buildings in Inuvik still standing 100 years from now. Years from now, Mr. Speaker, I would like to see the people still talking about this Assembly and not being forgotten in two years. We have to give people years from now...We are on the verge of something big here and we can do something big for the Northwest Territories, so let's leave some history that people can speak about years from now. Thank you, Mr. Speaker.

---Applause

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

### Member's Statement On Mackenzie Gas Project Fiscal Assurances

**MR. HAWKINS:** Thank you, Mr. Speaker. Today I rise to talk about my concern with the Premier's letter to the producers, also known as our letter of comfort. At the very least, Mr. Speaker, I would like to point out a few things. The first one is certainty. The Premier's letter was structured to define some certainty, a level playing field and a clear understanding of what is going to happen in the GNWT, the Northwest Territories for the producers. But, at the end of the day, I am concerned because Imperial Oil fired a shot over the NWT's bow and we didn't just surrender; we truly waved the white flag and said take whatever you want.

Mr. Speaker, I would like to quote off the letter, "It is not the intention of the GNWT to introduce or support any new, targeted tax or royalty changes..." Why would we give that away, Mr. Speaker? Why would we tell them up front that we are not going to do this? This should be something in our play book that is kept secret until that time is necessary. Mr. Speaker, this letter is now a policy statement, whether we like it or not. So any future discussion about taxes, Imperial Oil is going to come forward to us and hold this framed letter up and say, well, geez, Mr. Premier-of-the-day, the past-Premier, Joe Handley, had said that we weren't going to raise any taxes. And, by the way, we wouldn't have spent \$7 billion if we didn't know what the market was going to be up there. So, Mr. Speaker, this is not just a feel good statement. It is possibly a moment-defining policy statement for the future.

Mr. Speaker, I would like to continue to quote, "In the absence of such an agreement," it says the GNWT wants you to communicate your agreement with Canada with us. So in other words, the GNWT has begged on bended knee for a tell us clause. So whatever Imperial Oil discussed with the federal government, it says tell us, just because we don't know what we are doing. We want to make sure that we are in on the deal.

Mr. Speaker, it's been said a number of times that this agreement can't tie our hands. Yes, it's even spelled out in this. But I'm telling you, Mr. Speaker, that I'm really concerned. It should have never been written. If we needed to write an agreement or send them a letter to make them feel good, we should have sent them a letter that basically said we will have responsible and fair taxing measures in the Northwest Territories, not unlike any other region in Canada. We will be responsible and sensitive to the lay of the land. So, Mr. Speaker, we did not have to go so far and spell it out that we would not impose any fiscal measures by adding taxes, or imply that in any way. I will have questions later for the happy Premier. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Members' statements. Returns to oral questions. Recognition of visitors in the gallery. Oral questions. Before I go on to oral questions, Members, I'd just like to draw your attention to the rules that you have set for oral questions, and that is that your questions are to be allowed one preamble and then keep your supplementary questions very brief as far as preamble is concerned. I would just ask Members to keep those rules in mind when you're asking your questions. Oral questions. The honourable Member from Range Lake, Ms. Lee.

### ITEM 6: ORAL QUESTIONS

#### Question 348-15(4): High Operating Costs Of Small Businesses

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, my questions are on the need to lessen the burden of doing business for small communities, as I stated in my Member's statement, and my question goes to the Minister of Finance. Mr. Speaker, I hope the Premier and Cabinet take comfort with that letter of comfort that they sent Imperial Oil. Now that we know their last-quarter profit was a record-breaking \$1 billion. That's just the first quarter. I could see that this government is very anxious to give them a comfort letter, and the government is mobilizing their effort to give a let up to ATCO to get their \$297 million housing project. Now I think I'd like to see some comfort on the part of this government to the small business. The Minister's of Finance budget had a mention of small businesses on page 7, Mr. Speaker, where it speaks to the fact that...The Minister states that at four percent, the small business taxation is competitive. What I can tell you, from the information from the Canadian Federation of Independent Business, which I believe was forwarded to Mr. Roland, it was an open letter to him and the Premier, it says that our 12 percent is not competitive. Actually, our rate is not competitive with our neighbours in Nunavut, Alberta and British Columbia, and it should really be at 12 percent. The Minister indicates that he working on a new plan for small businesses; I'd like to know if he can indicate to this House what that might be. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Minister responsible for Finance, Mr. Roland.

**Return To Question 348-15(4): High Operating Costs Of Small Businesses**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the small corporate tax rate that we have in the Northwest Territories is one of the lowest in Canada. In fact, our small business corporate tax rate is at four percent. Ms. Lee mentioned 12 percent. That is referring to our large corporate tax rate. It was 12 percent. We previously moved it up to 14 and have announced, through the budget address, that we're proceeding to move it down to 11.5. So the small business corporate tax rate is at four percent, and we are having some discussions about how we can support the small business. Is it do we keep that area around; do we look at other programs we have in place that support northern businesses to see if there's something we could do with that? Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Supplementary, Ms. Lee.

**Supplementary To Question 348-15(4): High Operating Costs Of Small Businesses**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I'd like to suggest to the Minister that the time for discussing that might be coming to an end pretty soon here. This is his third budget and it is time for him to act as soon as possible, Mr. Speaker. One of the four things that the report mentions, in terms of the burden for small businesses, is the high taxation and a shortage of skilled labour, and some of the paper burden on the government which I think the government can really take leadership on. The WCB premium, I said it's tripled in the last three years, but it increased by 25 percent each of the last three years. I'd like to know if the Minister of Finance would undertake reviewing the burden on small businesses and come back to this side of the floor within the next couple of months so we could really take an action on that. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Roland.

**Further Return To Question 348-15(4): High Operating Costs Of Small Businesses**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the area of small businesses and our support for them is something that we are looking at. As I stated in the budget address, we need to come up with a plan as to how do we pursue this area and try to ensure that the small businesses have, indeed, a foot up here in the Northwest Territories. We don't have a lot of information at this point. There's been some preliminary discussions, but it's something we will follow up on. As we go down that path, I'd be more than willing to sit down with members in committees to give them an update. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Final, short supplementary, Ms. Lee.

**Supplementary To Question 348-15(4): High Operating Costs Of Small Businesses**

**MS. LEE:** Thank you, Mr. Speaker. I do appreciate the different tax rate for the small businesses at four percent. I don't know if that is the competitive rate with our neighbours, which we often go by. The high cost of fuel and gas, and high cost of doing business in terms of hiring labour could be compensated by government's action of reducing costs in other areas, such as WCB. Could I ask the Minister to come back because I didn't hear a commitment from him? Could he commit to coming back with some solid package to this side of the table for discussion in the next two months? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Roland.

**Further Return To Question 348-15(4): High Operating Costs Of Small Businesses**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the areas, again, that we have been working on and considering around the small business and support for those have been more in the area of the small business corporate tax rate, which for the Northwest Territories is four percent. For Nunavut and the Yukon it is at four percent, as well. B.C. is 4.5 percent. Other jurisdictions go from five to as high as eight percent; Alberta being lower than us at three percent. But working towards trying to ensure small businesses have a good start here in the Northwest Territories. I had already committed; we are working on a package that we can bring back to Members of this House and look to see if that is enough in the ways of trying to provide the necessary support for small business. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable Member from Kam Lake, Mr. Ramsay.

**Question 349-15(4): GNWT Support For Day Care Facilities**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Minister of Education, Culture and Employment, and it gets back to my statement that I made earlier. I believe that it's incumbent upon the Government of the Northwest Territories to ensure that it provides help to all day cares and day care providers. Mr. Speaker, I'm not advocating that arrangements currently at play with providers be rescinded or altered; however, as a government, we cannot allow day cares to suffer through prohibitive operational expenses. If what one day care gets, in what my research dictates, an \$80,000 advantage, then something has to be done for the others who need help. The first question I have for the Minister of ECE is whether or not he's aware of the inequities that exist amongst Yellowknife day care providers. Thank you, Mr. Speaker.

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

**Return To Question 349-15(4): GNWT Support For Day Care Facilities**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I'm aware that this government does provide opportunities to non-profit groups to lease space in what are called charity

leases. So, yes, there are operators in Yellowknife who are taking advantage of space that they're not paying rent for, and that is providing some operators, I guess, with a bit of a leg up. Thank you.

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

**Supplementary To Question 349-15(4): GNWT Support For Day Care Facilities**

**MR. RAMSAY:** Thank you, Mr. Speaker. I think that's fair game. I think the government does do some of these charity leases and there are providers that operate out of government-owned facilities. But what I'd like to ask the Minister is if he recognizes these inequities, what are his plans to get more funding for other providers so that all have the same level of support and are working off the same page? Thank you, Mr. Speaker.

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

**Further Return To Question 349-15(4): GNWT Support For Day Care Facilities**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I know that in the last session, Mrs. Groenewegen asked if the government would look for places where we had opportunities for day cares to operate in government-owned facilities. So we did, with Public Works, undertake an examination of that. We have, in the past, made it a practice where there is space available to provide that space. So for instance, on the Hay River Reserve, the Aboriginal Head Start Program is operating in space there and isn't being charged rent. In Mildred Hall there's a Head Start Program this year that's not being charged rent. Our position has been that while this may not be totally equitable, it is a good use of public facilities to ensure that these good programs are able to run. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Final supplementary, Mr. Ramsay.

**Supplementary To Question 349-15(4): GNWT Support For Day Care Facilities**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister if the ones that are getting subsidized, are they for profit or are they not for profit? There is a distinction there. I would like the Minister to try to explain that distinction, profit or not profit. Thank you.

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

**Further Return To Question 349-15(4): GNWT Support For Day Care Facilities**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. To the best of my knowledge, they are all non-profit associations that are in government-owned space. Thank you.

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

**Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for Charles Dent, the honourable Minister responsible for Education, Culture and Employment. A number of weeks back, the Hay River DEA provided a petition to the Minister seeking an alternative funding and government structure for the provision of education services in Hay River and for that DEA to oversee those services in a different way. That petition has been in the Minister's hands for a little while now. I would like, for the benefit of viewers and the people of Hay River, for the Minister to describe the process which he is undertaking to assess that petition. Thank you, Mr. Speaker.

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

**Return To Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Mr. Speaker, since receiving the petition, I have had a summary of the points set out in the petition prepared by the department and sent out to what we considered to be stakeholders and anybody else who has contacted the department since the petition was tabled with me, asking for them to respond formally to the points set out in the petition.

We have included a bit of a survey form with the letter making it easy for people to respond. We are hoping to have the final responses received. We expected the final responses by either yesterday or today. I would then plan on taking 30 days to review the responses to that request for consultation. I would hope to be able to talk to the DEA sometime early in March.

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

**Supplementary To Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, is the Minister able to share with the House whether those responses that have come back in from stakeholders and interested parties have been favourable towards the DEA's petition and position on what they would like to see for Hay River? Thank you.

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

**Further Return To Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I want to be careful about characterizing the responses in any one way because I haven't...I have been reviewing them as they come in. I am not sure that my memory would be a valid tool to use right now to say that they were mostly one way or mostly another. I think it would be fair to say

that a number that have been received have expressed concerns about issues that the petition raises. There is a real concern around the fiscal area from the communities that are part of the DEC that are outside of the Hay River DEA. I would say that those are probably the biggest issues that have been raised today. Thank you, Mr. Speaker.

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

**Supplementary To Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister if, in response to the Hay River petition, he is going to consider the petition on its own merit and the responses to the outline that he has put out there for Hay River only, or is he going to also include in that what kind of a precedent this may set for other DEAs and DECs throughout the Northwest Territories in terms of governance, the implications for other governance models in the Northwest Territories? Or is he going to view Hay River's concerns and petition on a stand-alone basis? Thank you.

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

**Further Return To Question 350-15(4): Alternative Governance Structure Proposed By The Hay River District Education Authority**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. As a Member of Cabinet, I have to take a broad view for the Northwest Territories, so, clearly, what we will do when we are examining the petition is take a look at the request from Hay River, the reasons for that request, and the responses from those who were consulted, as well as the broader picture. The Member has raised a good point; that we do have to take a look at precedents. We have to take a look at what any change might mean for the future. So we can't look at just today, tomorrow or next year. We have to take the long view when we are taking a look at governance schemes in the Northwest Territories. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Before I go on in question period, Members, I would just like to draw your attention to the gallery and the presence of the honourable Minister Olayuk Akesuk from Nunavut with us.

---Applause

He is the Minister of Environment, the Minister of Economic Development and Transportation, Minister responsible for Nunavut Housing Corporation, and Minister responsible for the Workers' Compensation Board, so he is a very busy man.

---Applause

With him is David Clark. He is the President of the Workers' Compensation Board for the Northwest Territories and Nunavut. Welcome to the House, gentlemen.

---Applause

Oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

**Question 351-15(4): Negotiated Contracts Policy**

**MR. MENICOCHÉ:** Thank you, Mr. Speaker. I think this question will be for the Premier, just with respect to the negotiated contracts policy that we have and have been using for sometime now. I am just wondering if the Premier is in agreement that there must be a better way of doing business. I laid out, in my Member's statement, of a set-aside policy that our federal government has and have been using it with quite some success in that, over a 10-year period, they help stimulated the aboriginal small business economy, as well.

Is there another way of doing our negotiated contract policy? It is creating some to do with that, Mr. Speaker.

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

**Return To Question 351-15(4): Negotiated Contracts Policy**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Yes, there are probably many ways of doing negotiated contracts, or similar ways of stimulating the local economy. Mr. Speaker, our draft negotiated policy is now at the point where, I believe, we are soon going out for consultation with the aboriginal communities. At that point, we will get their feedback. With regard to the federal Set-Aside Program, we have looked at that one. That one has its weaknesses, too, Mr. Speaker. The two weaknesses as I see, just off the top of my head, are: if a community is 80 percent aboriginal residents, then it would qualify for the set-aside policy. That project would then be tendered to aboriginal corporations across the country. So there is no protection for that community. If you go anywhere, the contract in Northwest Territories could be given to an Ontario or New Brunswick aboriginal company. I don't think that is quite what we want to do here.

The second one, of course, is that there isn't provision in that set-aside policy for RFPs. It is either tendered broadly, or tender the project to aboriginal businesses. We like to go more toward a request for proposal, so there is more flexibility in how we award the contracts. But there are many ways, Mr. Speaker, of achieving this objective. Thank you.

**MR. SPEAKER:** Thank you, Mr. Handley. Supplementary, Mr. Menicoche.

**Supplementary To Question 351-15(4): Negotiated Contracts Policy**

**MR. MENICOCHÉ:** Thank you, Mr. Speaker. With respect to our negotiated policy and the federal set-aside policy, granted that it does have its weaknesses, but in the communities I represent, all they are saying is, look, we live in these communities; we have been here since time immemorial; we want opportunities, especially proximity contracts by the government. So there must be a way of massaging our new draft negotiated policy to say, okay, you guys have been here. You guys will be the primary beneficiary of our government contracts. I know that there is some objection in that. There is a public accountability aspect here, Mr. Speaker, where we have to be

accountable to the public and have other people bid on it, but there must still be a way of doing that, at the same time recognizing businesses and corporations in the smaller communities. With that, if the Premier can speak to that, Mr. Speaker. Thank you.

**MR. SPEAKER:** Thank you, Mr. Menicoche. I don't know what the question was there, but the honourable Premier, Mr. Handley.

**Further Return To Question 351-15(4): Negotiated Contracts Policy**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. I will provide an answer, even though there wasn't a question.

---Laughter

Mr. Speaker, we want to work with the aboriginal leaders and communities to have a policy that achieves what the Member has referred to. We prefer to go the route of, like I said, a request for proposal, because a request for proposal, 40 percent is the amount that is attributed to cost. The other 60 percent is on a whole host of other factors that work in the community's favour.

Public accountability is always very important. No matter what happens, we will always, as a Legislative Assembly, be accountable for public money that we are spending. That one, we are not going to be able to work around, but we can do it on a request for proposal. We can do it by invitational tenders, or we can open it up to full tenders depending on what would be the most benefit for the community. But, Mr. Speaker, I understand the issue the Member is raising. I look forward to the feedback from aboriginal leaders and community leaders on the draft negotiated contracts policy we have. I would also hope that they would have a look at the federal Set-Aside Program, or other ones, and we'll approach this with an open mind. Thank you, Mr. Speaker.

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

**Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**MR. BRADEN:** Thank you, Mr. Speaker. My questions this morning are for Mr. Bell, the Minister of Industry, Tourism and Investment, regarding the secondary diamond industry. Mr. Speaker, it is estimated that the cutting and polishing industry in Yellowknife supplies about 150 jobs to the community and a number of them are to constituents of my riding. We identified considerable growth potential in this industry, but our Minister has been putting out some signals in the last few months that really cause us to question whether or not our policies and objectives for this industry are consistent with the high hopes and the programs that we've set in place.

Mr. Speaker, we almost let go of some very hard-fought and expensive property of ours in the form of trademarks to protect and promote our product. We disbanded the unit of our government that was charged with implementing our policy and we bailed out on our commitment to the National Diamond Strategy.

Mr. Speaker, has this government abandoned its support for the secondary diamond industry? Thank you.

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

**Return To Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. Not at all. I think, if the Member looks a little closer, he will recognize and see, and if he speaks to the factor, he will recognize and see that we have a new era of cooperation and understanding with the factories. We are working very closely with them. A case in point, the Rare Nature Campaign. In the days gone by, the factories were quite critical of our government's support for cutting and polishing. They felt that the department of RWED simply chose to support and attend the various functions that it thought had merit. Well, we have switched that. We have asked the factories to be involved in the hiring of a public relations firm. The certification money that we collect is now ploughed back into a marketing fund or a kitty. The factories have had a say in who is hired. The factories are involved in the public relations activities that we undertake, so they have much more say in how brand of marketing works. I think that is what makes sense, Mr. Speaker. They have a vested interest in seeing this work.

In terms of our organization, 1998, I think, was the year we established our diamond projects unit. This was a time when we were simply getting underway with support for the secondary industry and negotiating some socio-economic agreements. It made a lot of sense at that time. We have established a secondary industry now. It is up and running. It is working. We haven't abandoned any of the functions of that unit. We have simply decided that, in terms of diamond tourism, the best people to handle that responsibility are tourism people. We have parceled out the other responsibilities accordingly. Diamond certification now falls under minerals, oil and gas. We think this makes logical sense. The macroeconomic work that we used to do is now in our industrial economic analysis unit. So that, coupled with the need to have to fill a couple of vacancies -- we only had about four people in the unit, had two of them resign and move on to other occupations -- drove a need to respond. This is not static. It is evolving and we are moving with it. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Braden.

**Supplementary To Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**MR. BRADEN:** Mr. Speaker, this is all very useful and a lot of it is very new information for me and for us. I am wondering with respect to some of these major shifts in priority and emphasis, is the policy that is on the book still valid? The Minister sounds like we are rewriting or recreating policy on the fly here. I have to ask, is it time we undertake a formal review of what has been going on and where we should be going in the future, Mr. Speaker?

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. Bell.

**Further Return To Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. Well, improving how we deliver service I think is something that

we should constantly strive to do and that is what we are doing. I think, if the Member looks at the Rare Nature Campaign, he will see that this is heads and tails above our past efforts. I think it is because we have stopped trying to do some of this stuff in house, recognizing that we don't have the expertise in this field and needed to go to a private firm to effectively deliver these types of programs.

I guess I would also indicate to the Member that, when we decided that these functions that we would still carry out would be parceled up in other areas of my department, we notified committee. I could certainly provide the Member with the same information. We are prepared to have that discussion. If the Member would like us to broaden that out to AOC, beyond the Governance and Economic Development committee, we would be prepared to do that. But I would urge the Member to sit down and speak with the factories, and talk with the factories about the change in our support for the various different programs, and talk about the success that we are having in building a brand in, the partnerships, the joint efforts with Diana Kroll, with the effort of Bryant Park, the Golden Globe Awards. It is very easy to point to specific concerns maybe with one company that a factory has over pricing of rough, but there are so many things that are working well. I think we need to focus on that. But I would urge the Member to sit down, meet and discuss these issues with the factories to get a better sense of what we are doing as a government. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Final supplementary, Mr. Braden.

**Supplementary To Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**MR. BRADEN:** Mr. Speaker, the National Diamond Strategy was something that I was proud to see this Legislature and this government play a role in, but with all the resources that the Minister talks about still having to invest in is...He, last fall, wrote a letter to significant diamond retailers and our partners in the rest of Canada and said we were withdrawing our involvement and support for the National Diamond Strategy because we did not have adequate resources. Could the Minister explain for the Assembly, where is the lack of resources, then, if we can do it in all these other areas? What have we abandoned? What have we left behind by saying that we are no longer going to play a leadership role in a National Diamond Strategy, Mr. Speaker?

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. Bell.

**Further Return To Question 352-15(4): GNWT Support For Secondary Diamond Industry**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I am certainly happy that the Member was proud of that initiative. We still think that national initiative will make sense in the future. At this point, we have the only operating mines in the country, so we sat down and talked with our local industry about how we move forward, and just recognizing that we have limited resources, recognizing our participation in this National Diamond Strategy. It was probably taking one person almost full time to talk to the factories because that is what we have been doing, is consulting with industry about where we could best focus our efforts and our resources. They said to us, and they were unequivocal, if you really want to

help us, let us work on branding. Let's build this Rare Nature Campaign and never mind some of these national strategies right now. Let's build up the brand name, develop and establish our brands. When we have done that and we have been successful in that, then we can talk about national initiatives and national campaigns which, I am sure, have merit. But at this point, our priority has to be around supporting and bolstering our local effort. So we were responsive and agreed with the local cutting and polishing factories that that had to be our first priority, supporting the secondary industry, and national initiatives are nice. We will get back there at some point. This was the priority that industry came forward with. That is what we are following. Thank you, Mr. Speaker.

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

**Question 353-15(4): Trades Certification Programs In The Sahtu**

**MR. YAKELEYA:** Mr. Speaker, my questions are for the Minister of Education, Culture and Employment in regards to the apprenticeship trades certificate. What type of working relationship does the department have with the oil and gas sectors, or the mine sectors, in terms of having the apprenticeship people work in the oil and gas mining field in terms of getting a journeyman certificate? Thank you.

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

**Return To Question 353-15(4): Trades Certification Programs In The Sahtu**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. The department works very closely with industry in oil and gas and mining, particularly through the two ASAP programs, one for mining and one for oil and gas, as well as the pipeline operator training course which also is aimed at ensuring that we have northerners trained for operating the pipeline once one is built in the Northwest Territories. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Supplementary, Mr. Yakeleya.

**Supplementary To Question 353-15(4): Trades Certification Programs In The Sahtu**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, what obligations in terms of having the oil and gas companies take on these apprentices who have already finished and are ready to go into the journeymen certification? What type of obligations, enforcements, working relationships do they have to take on these apprentices in our communities? Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Mr. Dent.

**Further Return To Question 353-15(4): Trades Certification Programs In The Sahtu**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. The department works to encourage companies to take on apprentices in these industries. If funding is provided through ASEP for training programs, those programs are aimed entirely and exclusively at northerners. There are typically jobs at the end of the training programs, and the

funding can be used to make sure that people are ready for taking on apprenticeships with a company. The pipeline operator training course; I know that I met with the group of representatives of the companies who are overseeing that course two weeks ago, and they were explaining to me some of the challenges that they're finding, not just with people not being job ready. They are finding people who are job ready, but in some cases they're finding that they can't find enough people who would otherwise be able to take the jobs on who could pass the screening, the drug screening in particular.

**MR. SPEAKER:** Thank you, Mr. Dent. Final supplementary, Mr. Yakeleya.

**Supplementary To Question 353-15(4): Trades Certification Programs In The Sahtu**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, through the information of AHRDA there are 80 students in the Sahtu that are being funded through this education program with AHRDA. He has hit a sore point in terms of helping our students take this type of training and apprenticeship programs. What type of enforcement, or what type of laws or policy, beyond the encouragement of helping our students get into these oil and gas training programs and having the industry to really look at the seriousness of putting our people back to work, and having a drug-free workforce for the future? Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Mr. Dent.

**Further Return To Question 353-15(4): Trades Certification Programs In The Sahtu**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I know that in talking to folks at the pipeline operators training course, the company representatives were very concerned about ensuring that the young people understand that the only way that they're going to get a job is if they are completely drug free when they take a drug test for employment. I talked to the companies, and their representatives tell me that they meet in communities with people, they make sure that young people who are looking at jobs are aware of this requirement. The Department of Justice and the Department of Education, Culture and Employment are working collaboratively to ensure that kids in school are aware that any kind of involvement in drugs or alcohol can seriously hurt your chances of an opportunity to get a good job, and we will continue to work really hard to make sure that more people are aware of that. Thank you, Mr. Speaker.

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

**Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**MR. HAWKINS:** Thank you, Mr. Speaker. As I said earlier today in my Member's statement, I was concerned about this one-sided letter sent to the producers. I don't see anything in there for the NWT, and I just can't allow that. Let's put the facts on the table, Mr. Speaker. A signed copy of this letter was slid under the door of AOC that evening that the letter was to be faxed out to the producers. I'm even surprised that somebody knocked on our door to let us know it was there. What about the timing? The Alaska project was already history by that

time that this letter came forward. So unless the Premier knows that there was another gas field that was in the foreseeable future, the Mackenzie gas project appeared to be the only game in town. So, Mr. Speaker, I'm hoping the Premier will take these questions seriously, without trying to create some type of distraction when he made light of Mr. Braden not being able to keep up with Cabinet. Mr. Speaker, did we put our people first? I don't know. What did this letter do for the people in the NWT, and where are the benefits spelled out, to the people of the NWT, in writing? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. There's a couple or three questions there. The Premier can handle one, or all three. The honourable Premier, Mr. Handley.

**Return To Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. The Member tabled this letter and I trust he read it, I don't know. But if he didn't, I'll take whatever time is necessary to explain it to him. This is one piece of a big project. He asked the question, where are the benefits for the northerners. Well, Mr. Speaker, I'll tell you, there are a lot of benefits for northerners. There are jobs and business opportunities as a result of all this development. Mr. Speaker, there are taxes to be generated from this development. Mr. Speaker, there is a \$500 million socio-economic impact fund. Mr. Speaker, there are the potential legacy projects we're negotiating on, on convertible housing, and on hydro. Mr. Speaker, there are lots of benefits to northerners.

Mr. Speaker, the whole purpose of negotiations is to arrive at a compromise. If everybody took what Mr. Hawkins is suggesting and said, no, we're not going to compromise anything, we would not have socio-economic benefits; we could not have the \$500 million; we could not have access and benefit agreements; we would not have employment and business opportunities. We would all win, in somebody's eyes, and Mr. Hawkins' eyes, maybe, I don't know. But that is not the way to do business. This is one piece out of the whole project. Mr. Speaker, there are tremendous benefits to be had by northerners. We all have to compromise. The federal government had to compromise. Imperial has to compromise. Aboriginal leaders have to compromise as they negotiate, and so do we, Mr. Speaker. We all work together on this. We've got a huge, tremendous project that is worth billions and billions of dollars for our people here. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Supplementary, Mr. Hawkins.

**Supplementary To Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, I think the Premier missed the point. None of that stuff was spelled out in this letter. We talk about the effects of the pipeline when it shows up at our door, but this letter is in advance of the pipeline saying before you even get here, don't worry, we're not going to raise the taxes on you. So, Mr. Speaker, I think what we did is we traded our first class opportunity ticket for something less than coach. Why didn't the Premier tie this to some type of socio-economic agreement and make a stance on that point? He talked about jobs, potential of taxes, the \$500 million,

the legacy, the benefits to northerners. Why didn't he have those things spelled out in his letter by saying if you want to do business here, we'll freeze the taxes, or we'll create a tax-friendly environment if you do this, this and this, such as build houses, guarantee that you will tie your development to northerners business? Why didn't he spell that out? Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Handley.

**Further Return To Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**HON. JOE HANDLEY:** Mr. Speaker, there's a whole process, and if it takes a weekend, if Mr. Hawkins wants, I'll explain to him how all these pieces fit together. But there are many pieces, Mr. Speaker, that are beyond the authority of this government. We don't decide access and benefit agreements for the aboriginal communities and leaders. They decide that themselves. I can't reference that in my letter.

Mr. Speaker, it frustrates me when people purposely take a letter and read something that isn't there. I look at it and I say, okay, what we've said is we are going to maintain a post-devolution royalty regime for three anchor fields. That's in order to give the company some assurance before they spend \$7.5 plus billion on a pipeline. Let's give them some assurance.

Mr. Speaker, we say we're not going to increase taxes for the pipeline assets disproportionately to property taxes to similar properties anywhere in Canada. We're going to be competitive. That's exactly what we said in Mr. Roland's budget speech. We're going to be competitive in Canada. Mr. Speaker, we said we are not going to directly have any tax affect that would directly target the Mackenzie gas project. That's exactly the way we treat every business in the Northwest Territories. We don't target businesses and put taxes on specific projects. We're just giving them assurances that we're good, responsible people to work with. Mr. Speaker, the other is that this doesn't include everything. We've said corporate taxes; we're going to work with you to negotiate and arrangement on corporate taxes, and we're going to do that by June 2006.

Mr. Speaker, those are all fair and reasonable positions taken by our government to say we are responsible. To top it all off, Mr. Speaker, we have said that this letter is a subject through the plenary legislative authority of the NWT Legislative Assembly, and that it does not...There's nothing in this letter -- and I'll read from it, this is tabled -- "...nothing in this letter constitutes a legally binding commitment or obligation of the GNWT or confers any right on your companies." This is a letter of comfort, Mr. Speaker. It's not a contract. Thank you, Mr. Speaker.

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

**Supplementary To Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**MR. HAWKINS:** Thank you, Mr. Speaker. Well, the Premier and I see eye to eye on only one very small element: it's not fair. So why bother sending this letter, Mr. Speaker? I say why bother to waste our time to get people to write this letter? It's not fair. We should have

said something along the lines of industry and big Imperial Oil whose donut budget is probably the size of \$1 billion.

---Laughter

Mr. Speaker, who knows how much they make? They make a lot of money. Mr. Speaker, we were the only game in town. If they wanted assurance, all we had to do is say that, Mr. Speaker, we will create a competitive tax regime; fair. So, Mr. Speaker, obviously Cabinet is concerned on this subject. Why did we miss the opportunity? We missed the point of saying tie this to northern business, tie this to northern jobs and we will create a competitive tax regime that works for everyone. So why did we waste our time sending this letter? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Handley.

**Further Return To Question 354-15(4): Mackenzie Gas Project Fiscal Assurances**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. It might be worthwhile to go up and down the valley and talk to people in the communities and see what they say. It's fine from this position.

Mr. Speaker, this letter is sent because it is a letter, a piece of information, a commitment that is necessary from our part, a statement of comfort for the industry, so they can get on with the public hearings. The public hearings are going on now. There is lots of opportunity for people to state their views to the National Energy Board or the joint review panel. This letter does not mean that the pipeline is built, or that the conditions set for the pipeline are all laid out. Mr. Speaker, this is a letter of comfort. This moves it one step further, and I am proud that our government was able to help move this project onto the public hearing stage. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Handley. Oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

**Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**MR. VILLENEUVE:** Mahsi, Mr. Speaker. Mr. Speaker, we all know the Arctic Winter Games are coming up and that the passport issue was a big issue for a lot of residents in the NWT, especially the ones who didn't have money to apply for a passport. A month ago, it was a requirement for all athletes to acquire their passports to go to Kenai Peninsula. Last week, those who couldn't get a passport had a couple of options available to them in a much less costly manner than the original passports. Now this week, it's not even a requirement at all.

Mr. Speaker, a lot of parents and families in the regional tryouts who send their kids to these regional tryouts had to dish out \$85 in order to get their applications submitted for these kids to actually get to try out in these Arctic Winter Games regionals with no guarantee that they are even going to go to the games. A lot of these families dished out a lot of money. A lot of families have two or three kids that are involved in the regional tryouts. The only guarantee is that they could get their passport if they dished out another \$15. I wanted to ask the Minister responsible for sport and recreation what the government does to oversee the committee's work at the Sport North

level and Aboriginal Circle level to ensure that residents, when they are asked to pull money out of their pockets to send their kids out on some sporting event, that this money will be legitimately required and now that they have dished out the money, is there any avenue for them to get that money back if their kids haven't made it to the Arctic Winter Games? Thank you.

**MR. SPEAKER:** Thank you, Mr. Villeneuve. The honourable Minister responsible for sports and recreation, Mr. McLeod.

**Return To Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, this issue of passports was brought to the attention of the communities and the general public last spring. We had indications from the host society, from the International Committee and the United States government that there was a strong indication that it would be a requirement in order to go into Alaska to attend the Arctic Winter Games. We did put that message forward. We worked with Sport North. We did support their desire to have everybody put in their applications. The teams or people who were selected to attend the territorial trials, we wanted to have the comfort that they had their application submitted at that level. Everybody did have their applications brought forward. Now we are at a stage where there is some concern. There is a small number of people who have not received their passports yet and we are looking at what we can do for plan B. We are looking at using a general identification card or birth certificates that were required to apply for the passport.

We did not want to be in the situation, Mr. Speaker, where we had a large number of athletes travelling to Alaska and not be able to get across the border. We did not want to be in a position where we had to pay for people to come back. We wanted to have the comfort going forward that everybody had the identification and had the necessary documents, and that's why the passports were a requirement. Thank you, Mr. Speaker.

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

**Supplementary To Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**MR. VILLENEUVE:** Thank you, Mr. Speaker. I know the passports were a requirement of the committee that oversees the Arctic Winter Games, but they are not a requirement by any law, United States or Canada yet. I know if people were given the information that a birth certificate would suffice, \$20 compared to \$100, that's a big difference to a lot of residents in the smaller communities, Mr. Speaker.

I just wanted to ask the Minister if that option was known, or if the committee who established this policy had gotten official letters from the United States government and the International Committee of Arctic Winter Games that passports were a requirement, why didn't they print that letter in the paper and let people be confident that when they are applying for it, it's for a very specific reason and it's because of this letter? Why wasn't that brought forward instead of just throwing it out there? Thank you.

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

**Further Return To Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, this passport requirement is no different from the requirements that were in place when the games were held in Greenland. It's something that is required by the athletes and the mission staff when they are travelling to another country. In this case, there was notice given to us by the United States government, the International Committee of Arctic Winter Games and the host society that this may cause a problem. We brought that information forward. We would have requested that the athletes have passports regardless of this information, because it's something that we want to have the comfort that we are not going to have athletes turned back at the border, or mission staff, and have to pay for the cost of bringing them back to their home communities. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final supplementary, Mr. Villeneuve.

**Supplementary To Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**MR. VILLENEUVE:** Thank you, Mr. Speaker. Mr. Speaker, I guess if it's going to be a requirement in the future for the Arctic Winter Games, is there any appetite for this government to set up some kind of an assistance program, be it through the Income Support Program, that parents who want to send their kids to the regionals, or to the Arctic Winter Games, are eligible to receive the \$85 or \$100 cost that they just can't afford? Is there any appetite to set up a program to help low income/poverty or unemployed families? Thank you.

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

**Further Return To Question 355-15(4): Passport Requirement To Attend Arctic Winter Games**

**HON. MICHAEL MCLEOD:** Mr. Speaker, there is a cost factor to take the regional trials. There is another cost that is incurred when you attend the territorial trials. There is another cost where you need to pay if you attend the Arctic Winter Games if you are selected, and there is a cost of applying for a passport. Altogether, all these costs associated for attending the Arctic Winter Games comes out to about \$300 per athlete, that's providing you make it all the way to the Arctic Winter Games. Now the actual costs are a lot higher than that. We haven't looked at incorporating any kind of subsidy. In most cases, there are organizations in the communities that are paying for some of these fees. In some cases, the schools are covering the costs. So there are a lot of different ways that these athletes are supported. If the Member is asking if we are going to look at ways to subsidize the costs of passports, at this point we haven't considered that and we are not planning to do that. Thank you.

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

**Question 356-15(4): Sachs Harbour Water Treatment Plant**

**MR. POKIAK:** Thank you, Mr. Speaker. Mr. Speaker, as I indicated in my Member's statement, in September 2004, Public Works and Services tendered out a project to

upgrade the water plant in Sachs Harbour. Over the 2004-2006 season, there were a number of flaws encountered with the water treatment plant, but the major problem they encountered, Mr. Speaker, is the water intake line. The department should have at least addressed the problem over the summer of 2005. Now here we are in 2006 and they are still having the same problem that they encountered way back in 2004-2005 with the water line continuing to freeze in Sachs Harbour. Mr. Speaker, my question is for the Minister of Public Works and Services. Since the start of the upgrade for the water plant in 2004 in Sachs Harbour, can the Minister say how much money was actually spent by the department to date for the project and subsequent problems that were encountered in 2006 and 2004? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Pokiak. The honourable Minister responsible for Public Works and Services, Mr. Roland.

**Return To Question 356-15(4): Sachs Harbour Water Treatment Plant**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I don't have the actual dollar amount to the cost of the project from when the new water treatment plant was put in place to the subsequent amount of freeze-ups. The Member is correct; there have been significant problems. There is approximately 500 feet of this line buried from the plant itself to the water intake site. Some of the concerns were the heat trace that kept the line warm and whether it had enough power to keep it operational. They've gone in a number of times to try to do that. We've had just another recent problem with that and staff are once again going in there to do this.

Beyond this, Mr. Speaker, Public Works staff, along with the designer and hamlet staff, are looking at what other issues we might be able to look at, and we are also working with the Department of Municipal and Community Affairs to come up with an actual replacement of that section of line. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Supplementary, Mr. Pokiak.

**Supplementary To Question 356-15(4): Sachs Harbour Water Treatment Plant**

**MR. POKIAK:** Thank you, Mr. Speaker. In that regard, I am just wondering with regard to the potential replacement of the line. Would that be at the cost of the contractor, or will it be under Public Works and Services? Thank you.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Mr. Roland.

**Further Return To Question 356-15(4): Sachs Harbour Water Treatment Plant**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, as with many projects Public Works and Services becomes involved with, the Department of Municipal and Community Affairs deals with the water treatment facilities. The funding would flow through them, and Public Works would be doing the work around project management. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Final supplementary, Mr. Pokiak.

**Supplementary To Question 356-15(4): Sachs Harbour Water Treatment Plant**

**MR. POKIAK:** Thank you, Mr. Speaker. MACA might take on that responsibility along with Public Works and Services, but will there be any potential to recover any of the costs from the contractors that were first issued the contract? Thank you.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Mr. Roland.

**Further Return To Question 356-15(4): Sachs Harbour Water Treatment Plant**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the work that was done originally on the water treatment plant and the additional line that was joined to the older line has met requirements. The problem is, is the design itself adequate to deal with the extended line. So at this point, we've not looked towards going back to the original construction of that facility. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable member for Inuvik Twin Lakes, Mr. McLeod.

**Question 357-15(4): Federal Government Awareness Of NWT Concerns**

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I spoke before on our need to leave a legacy. In the Minister's opening statements the other day, he took a bit of a stronger approach. My questions are for Premier Handley. I know the new government was just sworn in yesterday. I would like to know from the Premier when is the earliest we can expect to bring the NWT's concerns to the new government? Thank you.

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

**Return To Question 357-15(4): Federal Government Awareness Of NWT Concerns**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Last week, I sent a letter to Prime Minister Harper outlining our main concerns. I believe a copy was given to Members, or will be given to Members soon. That was our first opportunity following the election. Of course, during the election, I wrote to all the party leaders and laid out some of our major concerns then. I expect within the next two to three weeks to have a meeting with the Prime Minister, or with some of the lead Ministers, but it will probably be at least two weeks to allow them time to get briefed up on their departments. Thank you.

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

**Supplementary To Question 357-15(4): Federal Government Awareness Of NWT Concerns**

**MR. MCLEOD:** Thank you, Mr. Speaker. I would like to thank the Premier for that. I firmly believe that we have to try to get in there as early as possible to try to get our concerns heard and not be put back to the end of the line. I would like to ask the Premier if he's had any discussions with the leadership of the NWT to bring a unified approach to Ottawa. Thank you.

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

**Further Return To Question 357-15(4): Federal Government Awareness Of NWT Concerns**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Mr. Speaker, I have not had a sit down meeting with the leadership on the new government yet. I plan to meet with the aboriginal leaders -- these are the regional aboriginal leaders -- on Thursday, this Thursday in the evening to begin those discussions. I also plan to meet with the business coalition of the Chamber of Commerce, as well, sometime in the near future. I don't have a specific time for that. Over the next while, we will be meeting with many of our leaders in the Territories to discuss the approaches we may be taking with the new federal government. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Oral questions. Written questions. Returns to written questions. Replies to the budget address. Petitions. Reports of committees on the review of bills. Tabling of documents. The honourable Minister responsible for Education, Culture and Employment, Mr. Dent.

**ITEM 12: TABLING OF DOCUMENTS**

**Tabled Document 83-15(4): Annual Report 2004-2005 Status Of Women Council Of The NWT**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I wish to table the following document entitled Status of Woman Council of the Northwest Territories Annual Report 2004-2005. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Tabling of documents. The honourable Minister responsible for Justice, Mr. Bell.

**Tabled Document 84-15(4): Northwest Territories Law Foundation Twenty-Third Annual Report For Fiscal Year Ending June 30, 2005**

**Tabled Document 85-15(4): Northwest Territories Coroner's Service 2004 Annual Report**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following documents. The first one is NWT Law Foundation Annual Report, Fiscal Year Ending June 30, 2005.

The second is the Northwest Territories Coroner's Service 2004 Annual Report. Thank you, Mr. Speaker.

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

**ITEM 19: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS**

**CHAIRPERSON (Mrs. Groenewegen):** I will call Committee of the Whole to order. I think it is the intention of committee to continue today with Bill 18 and we are on the NWT Housing Corporation. I suggest we start that after a break. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed. Thank you.

---SHORT RECESS

**CHAIRPERSON (Mrs. Groenewegen):** I'd like to call Committee of the Whole back to order. Where we left off yesterday was on NWT Housing Corporation's budget, and we were on general comments, but before we proceed with general comments I will ask Mr. Krutko if he would like to bring witnesses to the table. Is the committee agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. I'd ask Mr. Sergeant-at-Arms to please escort Mr. Krutko's witnesses to the table.

For the record, then, I'd like to welcome Mr. Koe and Mr. Anderson back to the chamber. On general comments, first on the list I have Mr. Pokiak.

**MR. POKIAK:** Thank you, Madam Chair. I'd just like to make a few comments with regard to the lands required for potential future houses. I'm just wondering if the Minister can indicate to me, on this side here, on whether he's spoken with the Inuvialuit Regional Corporation in regard to potential lands for building units. The reason I say this, Madam Chair, is in Paulatuk, Holman, Sachs and Tuktoyaktuk, I know of at least a couple of units that are on private land, on Inuvialuit land. So I'm just wondering. In the case of Tuktoyaktuk, we really don't have any other areas to move it to, unless it's on private land, Inuvialuit land. So I'm just wondering if the Minister has made any contact with Inuvialuit land administration, IRC in Inuvik, to access Inuvialuit land. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, we have our regional director, Mr. Frank Carmichael...Carpenter, sorry, who has been working with the communities and the Inuvialuit lands administration office to realize we do have this problem, especially in Tuk and other Inuvialuit communities, because the Inuvialuit lands do surround those communities and because of the expansion. So we do have our regional staff working with our local housing authorities, but also in conjunction with the Inuvialuit organizations. Thank you.

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

**MR. POKIAK:** Yes, thank you, Madam Chair. Just in that regard, I'm just wondering, has your department actually sat down with the lands department in Tuktoyaktuk to actually access those private lands? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, our lands people are working with all communities where we are going to be delivering housing over the next couple of years, and sitting down with the people that are responsible for lands in those communities, and they also are meeting with the Inuvialuit land administration.

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

**MR. POKIAK:** Thank you, Madam Chair. I think the point I'm trying to get here is right now it's very important that the department, or whoever's responsible for the department, that they take the lead in those roles. Right now, if we start looking at units coming in in the future here, especially for those Inuvialuit settlement region communities, now is the time to negotiate access to the lands for the access roads, the lots required for the units. So I'm just going to ask the Minister again, how far are the negotiations going in regard to actually accessing these private lands? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, like I stated earlier, we do have lands people that have been in contact with our region and also with the affected communities to identify these lots that we are going to require with the 185 units. A large portion of those are going to Inuvialuit communities. So we are sitting right now, negotiating with the people that we have to deal with in regards to lands area. In order to get the title or acquire the lands, we're going to need to do this construction this summer. We presently have people already in place working on that. Thank you.

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

**MR. POKIAK:** Yes, thank you, Madam Chair. Just to on to another subject, especially in terms of the transfer of the funds from NWT Housing Corp to ECE, I'm just wondering if the department actually had training for their TROs to find out what's happening in that regard. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, we have had workshops with our field staff, in which they are in the process now of looking at the collections of rent or whatever we have to collect. Thank you.

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

**MR. POKIAK:** Thank you, Madam Chair. I think what I'm asking the Minister is with the transfer of the funds from the Housing Corporation to the ECE in regard to income support, et cetera, I'm just wondering if the housing managers were able to have a workshop, or the TROs, so they could understand exactly what it means for their workload. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, we have had workshops with our staff and also Department of Education, Culture and Employment are working with the tenants to make them aware of this new change. We have had workshops with our staff in our LHOs and communities. We have gone through that process, orientation and whatnot, and what's going to

happen April 1<sup>st</sup> and how we're going to transfer that over to our regional managers and our regional staff.

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

**MR. POKIAK:** Thank you, Madam Chair. I just want to go back in terms of the opening remarks for the Housing Corporation. I just want to go back to the senior citizens' home repair. I know of two people in my riding who are elders and living on pensions and they have, on a number of occasions, tried to get funding from the NWT Housing Corporation under that home repair program. As far as I know, they've been refused on both occasions. I'm just wondering if the Minister can clarify once more whether there is a ceiling in terms of dollars that they make. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Yes, there are thresholds that are set and if you exceed that threshold, you are not eligible for those programs. It's based on income, income level, and there are verifications done to determine what your income is and whether you are eligible or not for those programs. So there is that. We do have a threshold that we determine and based on your income, if you're below that threshold, you're eligible; if you exceed that threshold, you are ineligible. There is a set threshold for this program. Thank you.

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

**MR. POKIAK:** Thank you, Madam Chair. Can the Minister indicate what the threshold is for the seniors before they can actually access the repair program? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. We do use different scenarios. CNIT is one of them and we also look at what your income is. I believe the threshold for this program is \$50,000.

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

**MR. POKIAK:** Thank you, Madam Chair. Thanks a lot. I'm just wondering, are there other funds available that these people can access to repair their units? I'll go back to a time, especially in a case in Tuktoyaktuk where I recall making a Member's statement back when I first got elected. They were promised that the department would help repair the cost before they actually bought the unit, and to this day they still haven't received, although they've tried to get repair funding, they still haven't received that. Is there any alternative that they can access for the repair program? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, we do have several programs with regards to IHP, the Independent Housing Program, and the ERP program, Emergency Repair Program. Again, it's based on an application-based program and there's only so

much money that's in the pool for programs. I think because of that, we find a lot of people apply over and over, but it's based on the people who are in core need in which a lot of times you hear the frustration of the people who have to apply time and time again, but the money is allocated based on the needs. We do try to assist those people in the highest core need. It is application based and there is a form that you determine if you are eligible or not. There are those other programs. Thank you.

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

**MR. POKIAK:** Thank you, Madam Chair. I'll let you determine whether or not I can ask this, but I'm just wondering if the department has ever considered going back to the Homeownership Assistance Program, better known as HAP, that was way back in the early '80's. That was based on sweat and equity and individuals had to get their own land, et cetera. Have they ever considered that again? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. We do have a program, which is IHP, which is Independent Housing Program, but again there is a sweat equity component to that, where the individuals go out and get the land and develop it properly and have the logs or whatnot to build a log home. Then the government will come in and give you the remaining items that you need to complete the construction of the home, such as your heating system, your windows, doors, roofing material and whatnot. So there is that program with regard to I believe it's a log housing initiative program we do have. We still have that type of program where you do put sweat equity in by individuals going out, getting the logs and bringing them in, putting them on the lot and then the program kicks in after that. Thank you.

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

**MR. VILLENEUVE:** Thank you, Madam Chair. I just have a couple of quick questions for the Minister, just so we can carry on with detail. Just in reference to the mortgage system that the Housing Corporation has, you were just talking about the various thresholds that the government incorporates into their eligibility requirements. I just want to ask a question on the Canadian national income threshold. Is that the basis for determining the affordability issues and applications for everybody in the NWT that applies for any program?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. The answer is yes, we do use the CNIT program, which is based on no one should be paying more than 30 percent of their total income towards housing, their shelter costs. So we do use the CNIT number based on the different zones and different type of calculations that it is based on that. Yes.

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

**MR. VILLENEUVE:** Okay. Next question about this threshold. Is there any indexing with these thresholds in reference to the various communities' cost of living, cost of utilities and cost of food? Are any of those considerations indexed on an annual basis and applied the CNIT, because there doesn't seem to be too many changes happening with these thresholds? They just seem to be sitting up in the \$70,000 range with first-time homeowners. I'm just wondering if that's updated regularly or what's the case?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, they are reviewed every two years and, if the Member would like, I do have information on all the different regions and how the formula is based. Basically it is the farther north you are, the more forgiveness you're given. It is broken down by districts and regions. If the Member would like, I can circulate that to the Members. It also takes into account all the different adjustments that are made with regard to the power costs, heating costs, taxes, monthly insurance costs. They do have it broken down by each category and it's also broken down by the types of houses you do live in -- a two-bedroom, a three-bedroom, a four-bedroom -- so then it gives you an idea of what, it's clear what you will have to pay compared to other areas. So if the Members would like, I could circulate that for the Members.

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

**MR. VILLENEUVE:** Thank you, Madam Chair. Sure, I'd like that information circulated. I'm sure all the Members would be interested in what the variances are with each community. Just to get back to the threshold issue. Why does the government, well, why is it updated every two years, for one thing, and why are person's overtime or something included in the CNIT when it's a one-time thing and doesn't happen on an annual basis?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. I believe because there isn't that dramatic a change between the one or two years. Also we do, every four years, we do a total needs survey so we can compare what we do in those surveys. But these are done every two years. The reason they're not done annually is probably because of the cost of doing them every year. I think because the amount of change that happens over a one-year period versus over a two-year period is probably easier to measure a two-year period than one year. Also in our needs survey, which are done every four years, can tell us pretty well how much of a change has occurred over that time period. Thank you.

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

**MR. VILLENEUVE:** Thank you, Madam Chair. I guess what I'm thinking about are things like the change in the new heating fuel pricing or PPD's new policy changes on full cost recovery for fuel. Some of these communities are going to be experiencing big, big increases in costs of heating fuel and I think that would have a big impact on whether they want to consider homeownership or not, or

even buying one of the trailer units that I'm getting feedback on. One of the tenants has purchased one of those market initiative units and she's already dished out over \$1,000 in heating fuel in the past two months, and these are energy-efficient units, apparently, and it's only been in the 10 to 15 below range for the last two months. I think that's pretty high. The costs associated with other things, like the ferry operations and things like that, fluctuates a lot for costs of goods and services in the remote communities, especially if you have to hire someone from Yellowknife to fly into Lutsel'e to do some plumbing work. The cost associated with that because the ferry's out and he can't get his supplies at the cheap rate and he has to buy them locally and all that, those are big changes that happen on an annual basis and I think it only makes sense to make sure that the corporation has reviewed them at least every year to ensure that they are fair. It only makes sense, I guess.

Just getting back to the income threshold thing, I know I had some clients apply for homeownership to be denied approval because of their overtime that they did in one year was included in their income affordability issue, I guess. That put them just over the threshold. I just want to ask the Minister again, is the overtime supposed to be included in that and if it is and it changes from one year to the next, like for firefighters for instance -- some firefighters do a lot of overtime one year and then the next year they don't do any -- where's the balance of that for new homeowners in those seasonal positions or positions that require fluctuations in hours and stuff?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, if I can, I'll answer the last question first. We do allow for a three-year average to estimate exactly what your income is over a three-year period rather than every year. That way some years if you're employed and other years you may have had seasonal employment, you're able to get a better assessment over a longer period than trying to do it every year. When people apply, we usually ask for a three-year average. Then, from there, we estimate their eligibility or not. We do look at it over a three-year average, then your income for that year where, like, you say circumstances may change, but in three years your circumstances don't really change that drastically. In one year, you may be unemployed or the following year you're employed and then you end up in seasonal employment. That way you get a more consistent precedent that's set on how your income is over a three-year period versus a one-year period.

The other question you asked was in regard to the CNIT and what people pay for the operation of a home and cost of living and whatnot. In regard to the calculations that we used, like I mentioned, in most cases it's 30 percent of your income, which is based on expenses. But right across the North our average expense for housing, what we charge for rent, is roughly around 14 or 15 percent in most of our public housing. So most people aren't paying more than 14 or 15 percent of their income. I think that also allows us the flexibility with regard to ensuring that when you do have those fluctuations that it doesn't really have that big an impact on people who are at the lower income threshold. Thank you.

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

**MR. VILLENEUVE:** Thank you, Madam Chair. I just have one more quick question with respect to 30 percent. I know that 30 percent applies to everybody's gross income. Things like child support payments and back tax payments and garnishees and all that is not an issue because it's all based on your gross income. Especially with our tax regime here in this country, everybody pays the highest taxes in the world and that's a big chunk of your gross income, also. So a lot of people really don't wind up with a lot of disposable income when it comes down to all the deductions that a lot of people have. I'm just wondering, is there consideration that the corporation would have to look at maybe going on a net income basis as opposed to what people's gross income equates to?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, in regards to the rents that we do set, we do have a lot of income that we don't take into account in which it isn't calculated to determine what your rent is with regard to different taxes and also income tax refunds and whatnot. Those aren't calculated into your salary. But I think that because of the transfer of the fund to social housing is now going to be looked at through ECE in regard to a new calculation that they will be looking at for how to determine the different types of subsidies that are going to be in place. Right now it is based on the programs that we currently have, which is using the formula we do use based on your gross income.

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

**MS. LEE:** Thank you, Madam Chair. Continuing on with my questions from yesterday, I just have a few more questions on the Novel housing project. Madam Chair, yesterday I was asking the Minister that it may well be that ATCO is the company and this Novel concept is the thing to go with. I mean, I'm willing to accept that assumption, but what I think is the most important thing in terms of our job here is doing the due diligence test, making sure that things are transparent, and that the government, when it's talking about a \$300 million project, whether the money's coming from the federal government or territorial government, because we're looking at the latest figure of about \$118 million from the federal government if we can get the money, including the CMHC money and \$110 plus from the GNWT and private sector money. So I think maybe I'm just being too common sense about this, but if I had a \$300 pot or project to work with I would think, I think the prudent thing to do is to just go to businesses that would do the work that may be able to provide housing to pipeline workers and say, hey, what could you do with \$300 million? You know? It could be about this kind of scale, 1,400 mobile units or whatever. I just want to make sure that this government does their due diligence to at least tick it off and say, having looked at everything, we still want to go with Novel project. Would the Minister consider doing that, please?

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, as we all know, this is an opportunity of a lifetime to take advantage of this major development that's going to take place in the Northwest Territories, by way of an \$8 billion pipeline project where this chance will maybe

only come once in this lifetime. I think we have to keep in mind that opportunities don't come by this often and I think we have to take advantage of it.

Again, this project is a business deal. It is a deal to supply workforce housing for the pipeline. It is between the Mackenzie pipeline or gas project, and also in regards to someone to supply these facilities. The whole idea of the Novel project is to enable the Mackenzie gas project to consider investing in this type of workforce housing, but also looking at it in regards to a win-win situation for the people of the Northwest Territories, the people of the Mackenzie Valley, and also for the Government of the Northwest Territories by way of finding affordable housing. I think it is important to realize that we are looking at permanent, affordable and energy-efficient homes. In regards to the Mackenzie gas project, this is something that has been worked on between industry, the Government of the Northwest Territories, CMHC and also trying to find a way that we can deal with our housing crisis, but, more importantly, use the industry to provide us with that opportunity.

I think it is important to realize that, in regards to expenditures that are made, the federal government who is a partner in this process will be investing \$119 million which is basically the \$90 million they committed to contribute plus \$29 million in regards to interest that it is going to accrue on that \$90 million, because we were trying to get the money at the front end but it will be coming by way of an insurance which will be charged because they are telling us now that they will not fund the project until the project has been completed and the camps are available to be acquired. Ourselves, we are looking at \$116 million to be used to convert these work camps for housing for Novel and transfer them into the communities and do the site development costs. You have to realize that, out of that, there is going to be \$200 million left in the Northwest Territories economy. The economic benefit to the Northwest Territories -- the suppliers, the contractors, the labour force -- will leave a legacy of economic growth long after the pipeline is concluded.

I think it is important for us to realize that the opportunity that we have here is going to leave us some economic growth three or four years after the pipeline has been concluded. In most cases, people looking for employment in the pipeline are possibly looking for three years of winter employment, up to 278 days of employment. I believe we have to be realistic here to take advantage of this opportunity. I don't think the federal government, ourselves, Imperial Oil or any of the partners in the Mackenzie gas pipeline group want to leave a legacy behind so that we can all realize how important it is. I just wanted to state that for the record in regards to the dollars that are going to be allocated and also an opportunity for people to buy affordable housing where we are looking at selling half of these units to individuals to purchase at a reasonable cost, \$110,000, to buy a two or three-bedroom mobile home compared to other costs that are associated elsewhere in the Northwest Territories. I think we have to be realistic here. I realize that this is an opportunity of a lifetime. Thank you.

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

**MS. LEE:** Thank you, Madam Chair. With due respect, Madam Chair, I guess the Minister can choose to continue

to speak on this topic as if he is a paid lobbyist for Novel project, or he could give some commitments on due diligence that I am asking for. I could, as well, do a 10-minute speech on the pros and cons of that. I am not interested in that. I want him to just answer some basic questions so we can move on.

If he wants to keep on doing that, I am prepared to spend the rest of the week debating on the pros and cons of this. So let me just ask a very specific question. I am not asking the merit of building housing or taking advantage of the pipeline project. What I am saying is, I would like to see this Minister taking a driver's seat. We have an opportunity here. The better way for him to be is to, okay, with the federal government and the territorial government spending money and the pipeline coming in, we have a housing opportunity here. What could we do? Okay. He could make a decision. A manufactured home is the way to go. He has done the cost-benefit analysis. Now I am asking, is the Novel concept the only idea in town? If that is so, I am prepared to be convinced. But where is the evidence? Has he asked any other businesses? We have a \$297 million project, potentially, between the federal and territorial governments and private investment. What could you do? Could we ask the top five companies in the world? It could be just as well. ATCO, as the Minister has stated, is looking at other areas. That is a huge company. We don't need a Minister and the government lobbying Imperial for one company. I want to know. Has he asked, or is he or the government prepared to ask a question to somebody or at least three businesses, what could you do for us in terms of building the pipeline housing that could be turned into affordable housing? Could he commit to looking into that? Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. The question is yes. We do have people on staff from the Department of Finance. We have people from our organization. We have people who are basically right out of Ottawa and Calgary office, CHMC, the most senior people in the housing field through the federal system and ourselves and along with the people that we have hired as consultants to work on this. We, if anything, have done due diligence to ensure that, at the end of the day, whatever price tag it is, it has to be within the costs that we set to ensure that it is a viable product. We are spending public funds on something that we know is going to be able to be delivered, but also realize that we cannot afford to not allow this diligence to take place. We are working with CMHC which is a federal agency in Canada which deals with housing. We couldn't have a better partner at the table than them...Also, we do have the Department of Finance through Mr. Roland's office which is also part of this team that is overseeing this. We are doing everything we can to ensure that we do have a product and also being able to deliver the product at the end of the day within costs. Thank you.

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

**MS. LEE:** That is very good, Madam Chair. CMHC has such confidence in this project that they are not even willing to come into this until the back end. They want to sit back and see if this is going to work or not. So I don't think that is exactly a resounding endorsement. If the

Minister has consultants looking at this project for CMHC, I and my other colleagues on this side of the table, I think, will be very interested in looking at what documents they are looking at. Would the Minister make the commitment to bring forward what due diligence test he has done on this project by any consultants or any staff that shows us a half-decent comparison about where this project lies in comparison to other comparable, reputable project ideas? Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. I will forward the question to the Minister of Finance.

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

**HON. FLOYD ROLAND:** Thank you, Madam Chair. Madam Chair, the issue around the Novel concept is one that grabbed our attention quite some time ago as to the potential of using workforce housing to supplement a need for housing in our communities across the Northwest Territories. The opportunity comes out of the fact that the Mackenzie gas pipeline is going to be needing a large number of beds to house its workforce. From there, our discussions took place with one of the companies that would be capable and have the capacity to build as many camp beds and workforce housing as possible in the short time frame. One of the issues we face is, when a decision is made to proceed with the pipeline project, contracts will be let out to companies available to put out such large units in a short time frame. Looking at the Northwest Territories, we are unable to provide such a volume. As well, if we stuck with just a typical camp force housing that is in place and that is used in industry today, it is not suitable and would cost too much to do the conversion. When we were approached to look at this initiative by one of the companies that has the capabilities and has supplied your typical workforce housing, we were interested and began our discussions. We have also had discussions with Imperial Oil as to using the concept and the idea and moving forward with that.

Based on the interest and the opportunity that was before us, between the Housing Corporation and myself with FMBS staff, we began to look at it with some detail as to the potentials there. Looking at your typical construction methods used in the Northwest Territories, which we have many years' experience to what the potentials were with conversions and the cost of that and having the homes established in communities, we felt that it was viable and worth the effort to do further investigation. That is why I presented the material I did before Christmas to Members about the opportunities, the work that was done, as well as laid out the risks. There are risks with this, but we feel that the timing and the commitment to this, both by our government and the CMHC, is one of a nature where you have to make those investments up front to actually take advantage of this.

We have been working with ATCO with the Novel concept. Ultimately, it is going to be a decision by the Mackenzie gas project. Yes, we are counting on private citizens in buying up approximately half of the units that would be available to them. It is not absolutely a \$300 million project that we can go to anybody else and say for \$300 million, what can you supply? We are not buying that package. It is a package and a concept that we

would like Imperial to endorse and move forward with. Work has begun with Imperial in earnest around ensuring that they feel they would get the best value for their money, as well. That is something there they want to see. We want to see that because we would have to make a serious commitment to this. We have had to show CMHC officials that, as well; that their investment would be a good investment. All parties right now are working together to try to come up with a solution. Ultimately, if the federal government doesn't come up with the money and Imperial doesn't agree that this project is something they want to proceed with, we are back to square one in doing our typical housing delivery methods, which we will not be able to pull this kind of money together and see the amount of housing put in the Northwest Territories. Just on that value, we feel that it is a worthy effort to go into and come up with the numbers. Again, I would be glad to provide more detail to those numbers as we did before on the latest things that have been done. But we have given probably the most complete piece we have to date on the costs, estimates and the timelines that we have. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Roland. Next on the list I have Mr. Ramsay.

**MR. RAMSAY:** Thank you, Madam Chair. I just have a few follow-up questions from my comments and questions yesterday regarding seniors' complexes that have been built in the Northwest Territories, specifically Tuktoyaktuk, Deline and Fort Resolution. I know there is a fairly new Minister and a new president involved with the Housing Corporation. I just want to try to get some assurance from these gentlemen that things that have happened in the past where seniors' complexes are built without any seniors to go in them don't happen again. We don't just build something with the hopes that people are going to show up with their bags to move in, because that hasn't been the case in the past. I want to ask the Minister, specifically, what assurance is he willing to give the Standing Committee on Social Programs and this House, evidence that the uptake is there for this seniors' facility in Hay River? Madam Chair, this facility in Hay River is twice as big as the one that was built in Tuktoyaktuk and the one that was built in Deline. I think it is important that we have some clients signed up on paper that are ready, willing, and able to move into this facility before we proceed any further with it. Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, in regards to the seniors' facilities that have been built in the past, they have been built in conjunction with the Department of Health and Social Services. There is survey done to determine exactly where these facilities should be built. Then the argument is made to put it into a capital item on our books. Again, it is in conjunction with Health and Social Services.

In regards to the facility you are talking about in Hay River, it is being developed through a private business case in which they are looking at building 25 units in which we are looking at providing roughly, with land and cash, roughly estimated at \$450,000. Again, there are certain stipulations that have to be taken care of in which the person has to have a business case. We are providing a rent supp per door, based roughly about \$18,000. That is how we come up with the \$450,000, which is the land and

the rent supp of \$18,000 per unit. It is a private arrangement. They do have to get the appropriate funds they will need to deal with that. That is just like us dealing with the Aven's Society here in Yellowknife. We provide assistance. From there, they work with other agencies to fund it. I think it is important to realize that we are working in conjunction with that. Again, this is still in the planning stage. We have not seen a final decision on it. There is no final decision at this time.

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

**MR. RAMSAY:** Thank you, Madam Chair. I am glad to hear that it is still in the planning stage. I think whether or not it is a private deal, and I know the government, in my estimation, the Department of Health and Social Services and the Housing Corporation failed to do their homework on building these seniors' complexes in communities where there was no uptake. There were no clients to move into these facilities. I don't want to see the same mistakes made again. I know the Minister mentions this as a private business deal, but, Madam Chair, there is still \$450,000 of taxpayers' money that is going into this project. I think it is incumbent upon the Minister to come back to the Social Programs committee and tell us who is going to be moving into this facility before 10 cents is spent on developing a seniors' project in Hay River.

I would like to ask the Minister today for a commitment that he will endeavour to come back to the Standing Committee on Social Programs with some type of business case that would warrant the Government of the Northwest Territories spending \$450,000 to get into this project. I haven't seen any evidence of that. I would like the Minister to produce that, at the very least, to the standing committee before he proceeds any further because the track record, Madam Chair, on seniors' complexes being built in the territory is absolutely poor. I don't want to see, like I said, the same mistakes made time and time again. Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, I do commit to go back to committee before we make any final decision on this, but I would just like to let the Members know that this process has been going on for three or four years. There have been proposals back and forth. This has about the third time around where we are looking at another scenario. Again, there is a question about the rent supp. The rent supp is clear. It is there for low income people, because we do have that commitment under the dollars we do give for rent supp. We want to ensure that it is designated for use for people with low income. Again, we will commit to come back to committee before any decision or this project proceeds any further. Thank you.

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

**MR. RAMSAY:** Thank you, Madam Chair. I just wanted to try to get this clear. I will make this as pointed as I can. Is this facility in Hay River definitely going to be a seniors' complex? I know the Minister has mentioned rent supps now and the possibility that some of these units might revert to social housing in Hay River. What are we talking about, a seniors' facility or a social housing facility? What

is it going to be? I can't see how it could be both. Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. The understanding I have is that they are looking for people in the age marked 50 years and over, so that is the category they are looking at by way of the criteria that is being used. We are working along with the Hay River Seniors' Society and also with the private company. At the end of the day, the Hay River residents have to make the decision from the seniors. Do they want this or don't they? Again, like I say, this has been bounced around for the last three or four years. The money has been sitting there, so we haven't made a decision over that period of time. We will make sure that, before we proceed, we will get back to committee on any changes. Thank you.

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

**MR. RAMSAY:** Thank you, Madam Chair. Has the Housing Corporation actually given away the land where this facility is going to be built? Thank you, Madam Chair.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, the land is owned by ourselves outright. We have not given the title to anyone. We are still holding it in the bank for the seniors' project. Again, we have title to that property.

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

**MR. RAMSAY:** Thank you, Madam Chair. I am just a little bit leery about the Minister saying 50 plus. Has the Minister got a list of eligible clients that would be ready, willing, and able to move into this new facility that is going to be constructed in Hay River? Has he got that list from the Hay River Seniors' Society? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. We do have an older list, but we don't have an updated list. I can get that list and bring it back to committee in regards to when we do the update.

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

**MR. RAMSAY:** Thank you, Madam Chair. I guess I just want to reiterate the fact that the Minister says that it is a public deal, but, Mr. Minister, there is \$450,000 of taxpayers' money going into this project so that makes it a taxpayer's deal, as well. I think we have a responsibility here to try to protect where the dollars are invested. We have scarce resources as it is. I wouldn't want to see, like I said, mistakes of the past repeated. Whether it is \$450,000 or it is \$6 million, it is still taxpayers' money that is going into this project, earmarked for this project. I just want to make certain that we have clients to fit into this facility. I know it was mentioned just the other day that there was recently a 12-plex completed in the town of Hay River. Maybe some of the clients you have on your old list

moved into there. I am really leery of the project going ahead without a firm commitment from clients to move into the facility. I can't put it any plainer than that, Madam Chair. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, before any of these dollars are released, we have to make it clear that the money we are allowing, based on the \$18,000 per door per unit, is based on those residences having to be occupied by low income people. In order to ensure that occupancy list is there, the dollars we are expending is for low income people to reside in these units. They are basically low income housing for those residents. That is why we are giving them the rent supp. It is just like any other federal program where they do give private businesses so many units that they designate for social housing or whatnot, but it has to be structured for people with low income. So that is the catch. It has to be for low income residents to reside there.

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

**MR. RAMSAY:** Thank you, Madam Chair. I just want to get back on the list.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. I have, next on my list, Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Madam Chair. The Minister talks about upgrading the rental stocks in the communities through the local housing authorities. Some of the units are old. Some of the units have to be assessed quite a while in order to either upgrade them or tear them down or release them to community members who have lived in those units for sometime, up to 20 or 30 years. I take it there is a Supported Lease Program to facilitate such a process for these people taking over some homeownership. For example, if someone has been living there for the last 30 years, they go through the Supported Lease Program and they don't qualify for it, for whatever reason. They might have had a bad year and they just got all muddled up with their finances and had a rough time within a two-year lifetime and, for whatever reason, they don't make the cut, they would continue to stay in those units, I take it. This Supported Lease Program, is it offered only one time per unit per family or per person, or can they apply over and over again until somebody can demonstrate that they can take care of their housing or their finances? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. Madam Chair, the Supported Lease Program is to assist people to become homeowners. Like you say, there are people who are on social housing. They have been in social housing for a number of years. To assist them to make the transition from social housing into homeownership, we are looking at a lease arrangement where the individuals will pay the operational cost of those units in which, over a two-year period, then at that time they are assessed based on their ability to pay, but also through counselling and whatnot, make them realize what it will take for them to pay a mortgage, pay your utility

costs and realize what you are going to need by way of understanding what your responsibilities will be as a homeowner. Basically, it is a transitional program to get people who have been dependent, living on social housing, out of social housing into homeownership. Instead of basically charging them a mortgage or at the start you allow them two years to build up collateral or whatnot so that, after those two years, you assist them by way of ensuring that they have a good credit rating and whatnot. Then after the two years, we work with them to get them either to the bank for bank...(inaudible)...or get them into one of our program areas. So it is sort of a transitional program. I think, with this, we are hoping to see more people being able to become homeowners, especially for First Nations people. In Canada, one thing we've realized is that, in order for them to get ahead dealing with the aboriginal issue across the country, homeownership is possibly a better way than simply continuing to put people into social housing.

I think it is a national issue. I think, because of that, we have taken steps to find programs that will allow for us to work with clients to be able to give them the tools they are going to need to transfer from being a client of the Housing Corporation in regards to a social client in becoming an individual who will be able to, at some point, own their own home. Thank you.

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

**MR. YAKELEYA:** Thank you, Madam Chair. Madam Chair, the people in the communities, when they look at housing, they look at it as almost a sacred cow in terms of homes that were discussed many years ago, and now housing has a new mandate and a new approach to it. The concept of having homeownership in communities is fairly new and fairly complex. Some people are still stuck in that; providing homes for them. The federal government is slowly getting out of housing.

So I am saying that in designing programs, for some it takes more than two years and some just want a home. Some of them just want to live in a home. They want to know the program. It is a new concept in terms of bringing homeownership to them and they are having some difficulties of owning a home. I am maybe treading on some sensitive areas or issues such as the oral history of how houses were introduced into the communities through the treaty negotiation process or through some other policies of the federal government. There are still people in my region that still talk about how they were enticed to get off the land and live in a community. The government said you could have this house for as long as you want for a certain amount of money. There are still old-timers talking about that in my communities down the Mackenzie Valley. That, for them, is sacred.

I know the issue is complex. For us younger people, it might be different. For the old-timers, the discussions of oral history passed on is sacred to them. That is where they are getting confused. So in saying that, is there a special program for the seniors anywhere that they know that their place will be looked after, they have a special program just for them? For other people, it's okay, but for the old people that some receive letters saying that their rent is going to increase, they got scared. So they come back and say we were told this a long time ago, how come they are doing this now? Then they get on the government.

Madam Chair, that's something that for us it's okay, for young people, to understand some of the terms and words they use when writing, but the elders rely solely on the oral. No matter how many times you tell them, they still have something in their mind that says this is what we were told. The chiefs were pretty strong when they made agreements. Not like today, our agreements aren't very strong. But for them, the elders were pretty strong and it's pretty sacred. I think if we had something like that with some kind of program, even if you could think about grandfathering some of the homes of the elders, the lands that they have. With the new regulations you have around land development, it's too much for the elders. It's a lot of stress on them. I want to ask the Minister what he considers in terms of his new mandate, consultation, and what we have here in his opening comments and remarks on programs. You already mention in here consideration for the seniors. You call them seniors and in my community, we call them elders. Even that is different. So I want to see if you would give some consideration to our elders in our communities on some of these programs before you go full blast with some of the programs you will be implementing. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Madam Chair. I just want to clear up a point. The individual who ends up in this Supported Lease Program will have a few options. They lease the unit; they can go to the bank and purchase it outright, or just continue to rent the unit. You aren't kicked out of the unit. They are able to apply for subsidies under the Social Assistance Program, so there is that arrangement there also with regard to looking at their core needs.

Like you say, Mr. Yakeleya, it's important to work with the First Nations' organizations. We have been working with the AFN, and everybody saw on the television with regard to what happened in Kelowna. There are still a lot of commitments to improve the way we deal with aboriginal people in housing and also give aboriginal people more say on how housing issues will be dealt with in the country, as well as aboriginal organizations taking ownership of housing. I have been working with Billy Erasmus and his people, along with us, and how we can do a better job to deliver housing in the Northwest Territories, especially for First Nations people. I do sympathize with you. I grew up in McPherson. I did see where individuals owned their own homes, they had their own lands and lots, and then social housing came down the road and now they don't have anything to call their own today. We want to change that mindset and make people have pride with regard to owning a home and owning something that's theirs, and not be stuck in a social housing unit for their whole life. It is costing us roughly, for someone going into social housing and living their whole life in social housing, it's costing us roughly \$1 million. There is a lot of money expended for people to be in social housing.

Again, through this program, we are hoping to improve that and have the flexibility in here to allow people to become homeowners and not get around the barriers that we face with regard to access bank financing, mortgages or taking that giant leap to become homeowners. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Krutko. Next on the list is Mr. Braden.

**MR. BRADEN:** Thank you, Madam Chair. The aspect that I would like to talk about a bit is the Novel housing proposal. We've heard much discussion here of the merit of this, the legacy. It's a unique project. It has the potential to make an enormous difference at a great cost benefit for us and for future tenants. That's all been very well established. What we have not heard enough of is -- my colleague, at least Ms. Lee has referred to it -- is the integrity of the business deal and the amount that's at stake and what we are being asked to put on the line.

Where I wanted to go with this, Madam Chair, is to see if we could find out more about what aspects of the deal are in force right now. What is the ask that is on the table in front of the Government of the Northwest Territories from the Mackenzie gas project or from ATCO? What are we being asked to agree with or go forward on right now, Mr. Chairman?

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, at the present time, we do not have any financial commitments to this project. We are working with the Mackenzie pipeline group to consider that they look at this as a concept to build workforce housing which can be converted into modular homes at the end of the project. So we are just asking them to consider this as an option that they will look at as a product they will use for pipeline construction. Also, working with our federal partners, they want to have assurance that whatever that product is, it will meet their requirements through CMHC. So through the team approach we've taken, we have been looking at the idea of trying to get industry to seriously consider a product they can use for workforce housing to be able to convert into modular homes. Once the project is concluded, we will sit down with them and take it off their hands to convert into modular homes. We haven't put any money on the table for this idea. It's simply in discussions between industry, ourselves, CMHC and the proponent, to see if we can sell on using a product that we feel could make a difference to housing in the Northwest Territories.

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

**MR. BRADEN:** Okay. You know, maybe I haven't been paying too much attention or maybe I didn't have my running shoes tied up too tight, but the impression that I have been given all along here in the months of paper, it was the Mackenzie gas project and the ATCO folks who came to us and said we are going to have a bunch of housing that is going to be surplus after the pipeline project is built, are you folks going to need it. So we went to them. We are asking these folks to do something that works for us. I really thought it was the other way around. Well, my gosh.

I actually like that a bit better because if we are putting ourselves in the position of a customer, perhaps we are going to be in a position of getting a product and an outcome that's more to our liking.

So, Mr. Chairman, if there is no financial requirement in front of us right now, and understanding that this is a big

deal, very complex, we are looking at a time frame just for construction delivery before anybody even moves into this is probably six to seven years if a pipeline is going to be completed by 2012. But it is of such a scale and a scope that I understand people have to start making commitments at some time in the reasonably near future. Do we have enough information to know whether or not this has a potential to work for us? Are there still some significant aspects that we need to find out more information on? I am just trying to get a gauge on a scale of one to 10, if 10 is the completion of the deal, where are we in the whole process here? Thank you.

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

**HON. DAVID KRUTKO:** Mr. Chairman, I will ask Mr. Koe to answer. Fred is the co-chair of the committee that is sitting with CMHC and ATCO and devising what we are working on here. I will allow Mr. Koe to answer that question.

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

**MR. KOE:** Mahsi. The planning and investigation of converting workforce housing into independent houses has been underway for the last several years. It's been mentioned more than once that there has been a working committee made up of our government agencies and ATCO Group of Companies and CMHC officials. There is a steering committee that is looking at this, and all the aspects that we have talked about for the last few days and months have been under review. There are key things here.

I guess the key point of the concept is ATCO, as a major supplier of workforce housing, provided housing or camps to the Alyeska Pipeline way back when. At the end of that project, they had all these camps that there was no use for. They tried to sell them and tried to convert some of them. In the end, some were sold; the majority were bulldozed or destroyed. There was no economic use for that product. Now the next big pipeline is the one that is under discussion and negotiation, so the former executives of ATCO worked on the concept of converting a typical, eight by ten, one bed, one dresser unit and the modular unit that it's in into a house. So they have spent a considerable amount of research and development work in that. They came to us several years ago and said here is a concept. We looked at it and it made sense. So we have been working with them on the steering committee.

As a corporation, our investment so far has been time, effort and some money spent to take people down to look at the concept. We have taken delegations of leaders, MLAs, different people as they go through Calgary in different meetings, we invite them and the company to look at the prototype that is in the yard of ATCO structures.

That amount of money is what has been spent today. We are not asking for any more in this budget. We are asking for support to continue the work that we are doing. We know there are a series of other negotiations happening; socio-economic negotiations with this government. There is a team in place and they are working through the hearings and the monitoring. We are also meeting with the proponent groups in terms of other asks, in terms of socio-economic benefits to the Territories.

Right now, this deal, or the arrangements we are working on, is a business deal. We are saying here are the partners, here are what we think we can do. Obviously because it's negotiations, there is still no agreement between ATCO and the Mackenzie pipeline group as to whether or not they are going to supply housing. So when you ask for costs and all the details, we are in very sensitive areas because of that negotiation.

What we need to do right now is continue the work. There is a technical group of CMHC officials, ourselves, the ATCO Group of Companies. As we speak, the units are modified; the size, the cost, the materials that are being used, we are looking at energy. Part of the federal commitment is make sure it's energy efficient. Make sure we can use local labour and contractors in the communities to do conversions. There is talk about training and the development of that. Obviously in communities, we need properties and site developments, so there is a lot of work that has to happen much before that and we have to do that now. If we are to put in 20 to 30 houses into any community, it's going to have a huge impact on the infrastructure, water, sewage, garbage, firefighting, property, the lot development and road development. So when we talk about our affordable housing strategy, this ties in four or five years from now. When we go into communities now we have to top not only tomorrow's delivery, but prepare for 10 years, six, seven years from now, and that's what we're doing. I guess, we want to continue this and before even one nail or one staple is put into place on this concept, all the agreements have to be made, all the commitments have to be made and the concept that we're going to use Novel concept for workforce housing has to be agreed upon. So the due diligence has to be done. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Koe. If I may...I'm just wondering, I think Mr. Braden was asking on a scale of one to 10, where's the deal now? Can you be more specific in that regard? Thank you. Mr. Koe.

**MR. KOE:** On a scale of one to 10 or between, about two-and-a-half.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I'm going to weigh in on the Novel housing project at this point. I have a lot of other questions, but I'm going to weigh in on that one. I have had the opportunity to go to Calgary to the ATCO plant. I've seen their acres and acres of infrastructure there and buildings, and I have seen the conversion units, which are workforce complexes converted to single-family dwelling. I was -- I believe some of my other colleagues who attended there -- very, very impressed with the concept that we could take something which would normally be depreciated from the transportation to and from, and basically an investment that would essentially be depreciated over the course of the construction of the pipeline, and actually do something that would have a residual product at the end of the day located already in the North where it could go to serving a useful purpose. So to the concept of something that versatile and that flexible, I guess I don't like seeing things wasted and the whole idea of building the conversion into the camp units, for lack of a better description. I know it's workforce housing now that's the politically correct word, but the whole idea of building and the ability to convert it in at the time of construction I thought was quite a brilliant

concept, and obviously so did ATCO and that's why they patented the idea.

Having said that, there are lots of details about this deal that's a little bit hard for us to contemplate, not being a party to all the negotiations and the briefings and the expert work that's going into this. But some of the questions that I have about it are what are we going to do about northern participation in the ATCO proposal, the Novel proposal. Certainly when it comes to capacity, I'm sure that ATCO is one of the more well-known companies when it comes to this kind of construction. However, as some of the Members have pointed out, they're probably not the only people who have capacity. I would say probably on a large scale of a magnitude of what we're looking at, they may be the only one in Western Canada; maybe the only one in North America, for all I know. However, I don't know if there are pieces of this huge undertaking that could be carved off in some way that could be made available to northern companies.

There are components, there is the issue of assembly, there are issues of the fact that I'm sure they use tradespeople and they probably even train tradespeople in the areas of mechanical, electrical, carpentry, things like that, even when these things are constructed in their own plant in Calgary. I am, I guess, kind of cautiously or conditionally...Well, let's just back up. What I want to say is that I am supportive of the idea of having something left at the end of the day after these units have been used for workforce housing in the North. I think the idea and the concept of those units being converted into something that can go to alleviate the housing needs in our communities is a good principle.

So at a high level, I can tell you that for sure. How we work out achieving that and how we obtain value-added along the way, not just the units at the end of the day and not just the work associated with the conversion of the units at the communities and setting them up and all that and all that kind of economy that will be created by that exercise at the end of the day, I am very interested in the business case that will come forward that will show more significant northern participation than that. It is my understanding that ATCO is amenable to that kind of northern content and northern participation; at least I have to assume so. I wasn't in Hay River when they came there with the Minister, but I believe a representative of ATCO came to Hay River with the Minister and, in fact, had a firsthand look at some of the manufacturing capacity, shipping capacity, all those kind of things in Hay River. I'm not saying Hay River is the only place for any of that, but it might be the most obvious place seeing as that would probably be where the rail comes to, the road comes to, and the barge operation takes off from. Seeing as most of these things are going downriver, I mean, Hay River might be the obvious spot. Could I say that? Okay.

I believe there was a representative of ATCO Structures with the Minister, so judging from that, I would take that as a signal from this large corporate entity that they are interested in what the North has to offer this project on the front end and during, not just after the fact. I think that's a good thing and those are the kinds of details I think we need to work out that would make such a deal as this fly.

I do have some concerns about the number of units and I guess whether it's possible to gauge upfront whether there really would be uptake in the communities. Now, the Housing Corporation is talking about taking on half of the

units. So if there's 1,400 units at the end of the day, that's another 700 units to market in a number of communities. I know, also for example, that there's a 400-man camp going in Hay River. I would suggest that you would probably affect the housing market in Hay River if you left the units that were occupied by 400 people during the construction of the pipeline in Hay River at the end of the construction. I would say that you would significantly impact the housing market in Hay River for the next 20 years.

So I think that market disruption and those kind of things need to be taken into consideration and I'd like a lot of clarity around which communities, how many units, and the ones that the Housing Corporation would not be accessing. Who did you have in mind that was going to buy them? Would it be through NWT Housing Corporation programs, like homeownership programs, or is that already encompassed in the 700 that you're earmarking for our needs? I guess there's just a lot of unanswered questions and on a project of this magnitude. There is the potential for a significant liability, which I don't think this government wants to play that kind of a game when it comes to risk in assuming financial liability. So this all needs to be really, really well thought out. But certainly, like I said, I offer my support to the concept absolutely conditional on the level of northern participation, and I think the Minister has seen firsthand that there is a tremendous capacity here in the North, as well, to enjoy some of the benefits on the front end.

So, I don't have a single question on that, but if the Minister wants to respond to that, he could. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, just at the outset, I'd just like to make it clear to the Members here that the camps we are looking at are the workforce housing camps and they will be around Inuvik -- Little Chicago -- Fort Simpson, around Trout Lake. So those are the four camps we're looking at. There's also going to be camps needed in regards to preconstruction camps. There's going to be camps by way of pioneer camps. There's going to be kitchen facilities, office facilities. There is going to be a major influx of facilities being built for this pipeline. We're only looking at one component, which is the workforce housing.

The camp that you talked about in Hay River, I believe that is there in regards to doing the logistic stuff for loading the barges and getting the pipe on the barges going up the river. So that camp will basically be dealing with the logistics of getting everything into Hay River and everything back out as soon as possible. Again, that is something that's being worked out with the community of Hay River and the business community. We have nothing to do with that, but we have had opportunity to meet with the business community in Hay River, along with the people from ATCO in which they did make them aware that they have some major capacity problems by way of building all this stuff in the South, moving it North, and then moving it again once they get to Hay River. They would just as soon build some of these facilities through portable plants that they can put in place, looking at corridors, kitchen facilities, large facilities that there is going to be a logistical problem getting them from the

South to the North and getting them onto the barge. So they are open to that idea.

We've also talked to them, along with myself and the federal Minister, that there are certain things that we'd like to see as part of this project is to ensure that we have training with regard to the human resource component of the proposal and also energy efficiency. We want to ensure that, at the end of the day, we generate jobs in aboriginal communities to ensure that we have the workforce to be able to do the conversions in those communities and not have to lose out on that opportunity.

Out of this project we estimate that \$200 million of those expenditures we're making here will be spent in the Northwest Territories for the logistic cost of transferring these units into communities, site development costs, conversion costs, and also ensuring that we have the human resource people trained and whatnot in communities. They are looking at the possibility of building a training component into their plant so that we can take people to Calgary, train them in their facility, bring them back North and they can do the conversion with the skills that they require through this training proposal that we're developing with them.

So, again, those are some of the scenarios I just wanted to lay out. But again, those four camps we're talking about are slowly going in the Mackenzie Valley and we did not want to disrupt the markets in the larger centres by way of Yellowknife and Hay River and Fort Smith. So we're solely concentrating on the corridor. Thank you.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I just wanted to get back to the line of questioning that I had for the Minister earlier and I ran out of time and was unable to ask him some more questions. The more that the Minister spoke about this project, specifically with the Hay River Seniors' Society and the seniors' complex in Hay River, the more confused I got. I know yesterday, I don't have Hansard here in front of me, but yesterday the Minister had mentioned the fact that it was \$25,000 per door that the Housing Corporation was providing, and earlier today he mentioned the number of \$18,000 per door that the Housing Corporation was providing. He's also mentioned the fact that the land would be going over to facilitate this being built. I'd like to ask the Minister, what is the total contribution from the Housing Corporation into this project? If it is \$25,000 per door or \$18,000 per door, it's a substantial amount of money, and if you include the land, it's even more. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, our total contribution with the land and the subsidy is \$450,000. The number I gave you yesterday, the \$25,000, was based on the original proposal, which was 18 units. But now they've come back with another proposal for 25 units, so that's how you come up with \$18,000 per unit. The original proposal was for 18 units, which was \$25,000 per door. It's still within the range we've allocated, which we've committed the \$450,000, which includes the property and the subsidy.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I guess what's happening is this thing's evolving as we speak, so I think it's important to get it right. Again, another confusing aspect of this for me is, yesterday when I was speaking to the Minister it was a seniors' complex. Today it seems to be a rent supp building that's being proposed. I'd like to ask the Minister, what is it? Is it a seniors' complex, or is it a social housing unit or for low income folks in Hay River? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** It is social housing with regard to people with moderate incomes, which is people at the lower income range. It is more structured towards those people.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I know earlier in the questioning the Minister had said anyone over the age of 50, but again, where is the list of clients? If it is a seniors' complex and was being referred to as a seniors' complex, and I know the Hay River Seniors' Society is involved in the project, then why are you including the word "senior" in this complex at all? What's the real story here, Mr. Chairman?

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. It is getting pretty confusing, but it is a proposal that's being developed with the seniors' society in Hay River and a private company. We have not seen the proposal. The final proposal has not been given to us. We have not seen that proposal, so we're sort of speculating on a lot of these things. Until we see the final proposal, then we will basically have to assess it. But right now there is no final proposal. Again, they said they're going to go back, take another look at it and then get back to us. We haven't seen anything.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I think the Minister gets the point that I've been trying to make, and that is that I think it's important that everything is looked at prior to \$450,000 of public money going into a project that, you know, whether or not it's supposed to be a seniors' complex or not is anybody's best guess right now because I don't think the Minister even knows that. I'll leave that there, Mr. Chairman, if I could.

I don't want to have to get back on the list, so I'm going to switch gears here a little bit and talk about something that's actually been the topic of discussion here, the Novel housing proposal with ATCO Structures. I'm in the same mind as my colleague, Mrs. Groenewegen, on this. I'm supportive of the overall concept and what it means in terms of housing and the availability of housing here in the Northwest Territories. But just for the record -- and I know the Minister doesn't have to answer this and I'm just going to comment on this -- I agree wholeheartedly with my

colleagues that any and every business opportunity that is available to northern businesses has to be taken. When you're talking about a project of the magnitude of what's being proposed, I think it's absolutely necessary that the government go out there and try to drum up as much business and support for this project as it can and where you're going to get that support is from the business community. I'd encourage you to do that.

The other thing I want to mention about this project is, and it's similar to that of the seniors' complex, in that the seniors' complexes get built in communities and nobody ever moves into them. I'm glad to hear that there are some residents in some of them now, but I think the Housing Corporation has to go out there and try to identify people who are going to purchase these units and people who are going to move into them and try to make that distinction of what's going to be a homeownership unit and what's going to end up being public housing. I think that, to me, is a very important aspect of this. It can't be overlooked. The earlier that the Housing Corporation or agents of the Housing Corporation can get out there into all the communities where these units are going to be located, and start identifying family X, Y and Z that are going to be able to purchase these units, the better off you'll be in the long run. I think that work has to start almost immediately, and that's how that project's going to be sold.

I don't have as much reservation on it as some of my colleagues. I'm in support of it. I've seen the conceptual design of it. I've been in the factory in Calgary when we were down there for an oil and gas conference. I've seen the finished product, and I do think that it will address the housing shortage in the near term and in the long term here in the Northwest Territories. So I'm encouraged by what I see there, but again, it's with some caution here that we have to go about this and make sure we do all of our homework at the front end so that we don't get the big nightmare at the end. I'd like to end with that, Mr. Chairman. Thank you very much.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Krutko, would you like to comment?

**HON. DAVID KRUTKO:** I'd like to thank the Member for his support, but I'd also like to recognize the issues the Member raised because it is very prudent that we do our legwork. We do realize that we have to understand what the logistical issues are going to be. We have six years before we look at possibly taking ownership of this concept, but I think we do have a lot of legwork to do. We have to get into the communities; we have to talk to the business community; we have to also talk to the different departments who will be involved, such as MACA and the Power Corporation and other sectors of our economy. Also the business community is crucial, because the business community, at the end of the day, have to be aware of these opportunities that will come by way of these conversions after the pipeline project is over, and hopefully the companies that do work on the pipeline will be able to take advantage of these opportunities close to the communities, or in the communities, so that they can have work after the pipeline project is over.

Again, I'd just like to thank the Member for his question. I definitely agree with the Member's questions, and we have to do due diligence in regards to how we proceed, and we do have to be prepared at the front end. We do

have six years to do this, but again, we do have to involve a lot of people out there. Thank you.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. Just one last thing while I've got a few seconds left here. I'm wondering has the Housing Corporation given any thought to the notion of if you have the 700 units that you know you're going to have to market and sell as homeownership units at the end of this pipeline project when the housing becomes available, has the Housing Corporation given any consideration to perhaps privatizing the sale, the marketing, the distribution of those units at the end of the day so that it takes it out of the hands of the Housing Corporation and puts it in private hands? That might put a little bit of a different spin on it, but I'm wondering if you've given that any consideration.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Yes, we have thought of that. Also, we are talking to different people that are involved in marketing and selling of houses and whatnot. So we are open to any proposals, or request for proposals, from anyone out there to look at that business opportunity.

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

**MR. YAKELEYA:** Mr. Chairman, on the Novel manufactured homes, the Minister is looking at a percentage of...and I support Mrs. Groenewegen and Mr. Ramsay in terms of getting the most benefits out of this deal, a stage in the Northwest Territories. Is the Minister now, to date, can he say that through the amount of training, employment, supplies or things that are going to benefit the communities in the Northwest Territories, the regions, a percentage of employment is going to certainly come out of this for the Northwest Territories. There's a level that we have to maintain; training or suppliers in the North that are going to supply these readjustments of these manufactured homes into homes that they're going to sell in the communities.

What I guess I wanted to ask, Mr. Chair, is how soon...It's only seven years away, or eight years. How soon are we going to start seeing people from our region going down to ATCO and to the schools? I mean, there's no plans enforced. He talks about training programs. When he says there is training available, what's in the community now to say yes, we should get some people, especially the young population in my region, up and running and to take these training programs. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Yes, Mr. Chairman, I have been talking with the Minister of Education, and we do have a few pilot projects that we have been working on in high schools and that, at Smith, Hay River and Fort Providence, in which I was looking at trying to expand those to other regions so that we can put them in other high schools to offer trade access programs in our high schools so that in six years we'd get these up and going, we will have people interested in the trades.

People have some skills in regards to carpentry, plumbing or with those different trades. But I think it's important that we identify those young people now -- they are in our high schools -- and work them into the trades area so that in six years those students that are now in grade 8 or 9 will be able to take advantage of not only the pipeline opportunity, but an opportunity to basically do these conversions in our communities. Then that's where we see the benefit of this project taking hold, it's in the community by way of site development work in regards to the work that's going to be needed in regards to the transportation from where these camps are going to be located into our communities. So there's an opportunity for trucking companies. Also looking at the whole area of the conversion itself. Like I said, we are working on a proposal to develop a training component of the total proposal so we can be able to...

**CHAIRMAN (Mr. Pokiak):** (Microphone turned off)...but the power's gone out. We might have to take a short break here at the moment so they can get everything restarted for recording purposes. Thank you.

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**CHAIRPERSON (Mr. Pokiak):** Thank you. We can resume the Committee of the Whole meeting after a short break. I understand that Mr. Yakeleya was up for now. He was asking about the Trades Access Program and how it will affect the communities without programs. Maybe I can ask Mr. Yakeleya to continue. Thank you.

**MR. YAKELEYA:** Thank you, Mr. Chair. Going back to the training again, our people in the North here train for these amount of manufactured homes that are going to be converted into liveable homes in our communities. We have a young population in my region. Even as of 2004, kids 10 to 14, there are 280 kids. Children or youth from 15-24, there are 383. There is well over 600 youth in my region from that age. I am asking in terms of the trade access. There is a small part that will go to trades. There are going to be other job opportunities. Getting these units into our region, like I say, Little Chicago is going to have a big camp there and modifying some of those units into our communities. I support the concept to meet to get on to an action plan right now, today as we speak, in terms of having these trades access programs into our communities. Even ATCO, we haven't seen anything from ATCO saying, are we too far in advance to have that kind of discussion to identify some people in our region in the North that would go down into Calgary, or are there some other things hinging on the deal? I am speaking in general, Mr. Chair, without much information in terms of these manufactured homes.

I have one more question after that, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chair. Mr. Chair, before the break, I did mention that we are trying these different access trades programs in the high schools in Fort Resolution, Hay River and Fort Providence. I think it is important that we are working with Education to see how we can expand the trades programs. Again, we have been talking to ATCO and also other companies we are working with to identify training as one of the components of our business relationships. I think it is also important that there is real opportunity, especially in the small

communities, for going into the trades program because of the number of duties that it provides. Even at ATCO's request, they are looking for 70 people right now. They were asking us if we knew anybody in the North who is willing to go to Calgary and work in the plant. I think there are companies in the same scenario. I think it is important that we do work on this, but I think, for ourselves, even as a Housing Corporation, we realize we need a lot of people even in our local housing operations, people with the different trades tickets, from carpenters to electricians. We do have to work with communities, with the different departments, Education, and basically formulate some program that we can work on to ensure that young people are able to get into the trades, but also given the skills that they will require to get them there.

We are committed to expand the Trades Access Program. I mentioned it in my community visits. I have mentioned it to committees that we are looking at expanding the program that we presently have in Hay River to other high schools in the territory and to offer this as an opportunity for the high schools to provide such a program in regards to the Trades Access Program. In order to meet the demands, we are looking at in the future. I think we have to get to the younger people in our high schools and our communities and offer them an alternative to business opportunities which includes trades.

We are open to that. We have been talking to community leaders and different educators. Again, that opportunity is there and it is there for the taking. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chair. We can probably have further discussions on this whole concept. I am trying to get two questions into one, Mr. Chair. If we need to go with the existing core housing needs forecasted for the next five or 10 years from now, if we were to go with just the needs now in the Northwest Territories in terms of our homes and the cost to put those homes in our communities, either manufactured homes or stick-built, there is that factor there. Plus with the amount of work that is going into the Northwest Territories and now you have these manufactured homes also going in and being looked at as to come in to alleviate some of our housing needs in the communities. I would like to know the variance between those two scenarios.

Regarding the seniors' facility, some of my colleagues have spoken at great length in the North. I want to talk about the Deline seniors' facility. We had some discussion last year, Mr. Chair, with Mr. Miltenberger. I just want to ask the Minister, in the future, is he looking at building different facilities? I am not sure if he answered them already. Mr. Minister asked one of the colleagues in terms of the type of facility he may be building in the future for the elders. In the population of July 2004, 60 plus of elders or seniors, we have 209 in the Sahtu. In a couple more years, there are going to be more seniors. Is this the way we are going to go? Is a new process coming out to have a facility built for seniors? I am not sure if it is going to be something like Hay River, Tuk or Behchoko. What type of plans are we going to have in terms of using facilities for elders that would be beneficial to the people in the communities? I know, in Deline, it is sitting empty. They are not too sure what the plan is for the next steps. I know they have some indication, but they don't really

know for sure yet. That is something they wanted me to ask. That is all I have for the Minister, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chair. I will answer the seniors' facility in Deline first, before I go into the area needs. I have been working with the Minister of Health in regards to the Deline facility. We have struck a committee to look at some options for that facility. It did go back to the community. There was a band council resolution passed to use it as a community service centre to provide health and elders' care programs out of that centre. Along with myself and the Minister of Health, we have sort of verbally agreed that we will look at trying to get in there and meet the community's request.

When it comes to seniors' facilities, I know we have had a lot of discussions here about seniors' facilities and why they are not being occupied and also who pays the cost. The present arrangement we have is that we construct the facilities and operate them. The Department of Health and Social Services pays the O and M and the cost to operate and maintain those facilities. The decision to determine where seniors' facilities go is done by surveys done by the Department of Health and Social Services and ourselves in regards to numbers of seniors in the communities in the region, and then the region makes a decision on allocation, where those facilities should go. I know this question has been raised in my travels in the Sahtu, in Deline, also in Fort Good Hope and in other communities that they want these facilities in their communities. But I have always stated that decision has to be made by the Sahtu Health and Social Services Board. They are the ones that develop health infrastructure in communities from health centres, to seniors' facilities, to care facilities. That decision has to be made by the Sahtu Health and Social Services Board. We are still waiting for them to make that decision. We have made the decision between the Minister of Health and myself to proceed with the motion we have received to look at converting the seniors' facility in Deline into a community service centre to provide services to seniors and care providers. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. I have Ms. Lee next. Ms. Lee.

**MS. LEE:** Thank you, Mr. Chair. I just want to complete the list of questions I have here on Novel so I can move on. I am hoping that the Minister could give short, crisp answers to some of these questions. Mr. Chair, I think the thing about this is that this project has moved far beyond being a concept. I think it is time that we address some of the detailed questions. The Minister and the president mentioned earlier that there has been a committee organized. There has been a working committee on this. There have been ongoing negotiations. I think that we have the right to expect some of this detailed information as there is a parallel process going on in the committee.

Mr. Chair, I guess one thing good about all of these discussions that are going back and forth is, whether the Minister wants to admit it or not, he is making changes to this project. I remember, about a year ago, he or other Ministers in this House said flatly that there will be nobody in the North who could do anything with this project, and now he is much opened up to the idea that there will be possibilities of northern training, northern labour and

business opportunities. Although the level of detail he is talking of is not quite clear. It is still in the idea of sort of possibilities. I think we need, as a government, when we are talking about a \$300 million project, we need to get a lot more detail than that.

Mr. Chair, for example, the courthouse idea, a 50 or 60 million dollar building, we are putting in \$1 million just to do a detailed study on it. A lot of projects like this require a half-decent feasibility study, a market analysis, and a cost-benefit analysis. That is just what goes on all the time. I don't mean to harp at this point, but the Housing Corporation is an organization where it just went under an audit review where a brilliant concept of selling housing to Russia didn't really work out. I cannot, in my mind, sit here and say, okay, I believe in this concept. I accept the concept. I like your ideas. Go to town on it. I am going to continue to ask these questions. Even if we make progress reluctantly, I am still going to be happy with getting the details out, than going with the dream.

Mr. Chair, in the answers to the written questions that the Minister provided, I asked questions about how he foresees the NWT coming up with 1,400 units and 1,400 land spaces. I can't even imagine how they are negotiating in CMHC. I would think if I were to go to a bank and say I want to borrow \$200 million or whatever because I want to build a house, the first thing they are going to ask me is, where are you going to put it? Where is your land? You are not supposed to be able to get even financing unless you have land. We understand how complex land issues are. That is even beyond Minister Krutko's control. What I need to see, though, is his, like, well-designed conceptual idea about how this is going to work. Whether it is a committee or it is the Minister of Finance or MACA or Cabinet or somebody with brilliant minds at the other end, I want them to have thought of it as, okay, how are we going to come up with 1,400 lots. Can I even get an idea about who are the players? What about land tenure? Are we negotiating with regional governments, self-governments, local governments? How long would it take? Where would it come? Where are we with that? The year 2011 is not a long time away. When I ask questions about how you are going to come up with the 1,400 lots, 100 a year, that is going to take 14 years. What are you going to do with these lots while they are waiting to be placed? Voila! The Minister writes me back and says, actually, it is not going to take 14 years. We are going to move this 500 at a time; 500 lots. I need the Minister to...He doesn't have to give me all that information now. If he can commit to giving me a very clear picture about how this land selection, land identification and land infrastructure is going to work, I will be happy with that because I have about four more other questions.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chair. Mr. Chair, everyone here realizes that we are still in negotiations. We are still working to look at what the total logistics cost is going to be to move these 1,400 units into the communities. We are exactly dealing with the lands question. I think it would be more appropriate for myself to commit to the House here today that, once we have this information down to a presentable item for committee, come back and explain exactly how the logistics are going to be handled, how the land development is going to be taken care of, and also exactly how we are going to be

able to deliver this program within the time frames we are saying. That work is presently underway. It is being worked on by the technical staff that we have in place. Until we have the final product, I think if the committee can wait until we have that, bring it back to committee, do a presentation and ensure that we have a product that we can present to committee. Right now, because it is basically a rolling draft, we're working with our partners to have this thing done as soon as possible and, at that point, I can commit to committee to go to committee, present all the details that the Member is asking for and have it out there for us to basically make that decision. But I think that we have to realize that we are presently in the process of negotiations and we are presently in the process of compiling that information, but I am committing to the Member that once that information is compiled and once we have all the data collected, I will commit to report back to committee with all our findings, share that information with committee, and at that point then we'll be able to assess exactly how this is going to play itself out. Thank you.

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

**MS. LEE:** Thank you, Mr. Chairman. Mr. Chairman, this is the information that is so vital. That goes directly to estimating even a number of \$300 million. I mean, it is not peripheral information, it is not tertiary information. It goes to the core of \$300 million. I don't understand how, without having that information, the Minister even knows that this is going to be a \$297 million project. That is just not acceptable. That is just not acceptable. I am not going to wait. I mean, what is he negotiating on? Is he just negotiating on concept, we think it's going to be \$300 million? The Minister says that 200 out of the \$300 million is going to go on conversion, on land development, infrastructure, and so how does he come up with that? Like what are they using in their negotiations and why can I not have that? I really think we need to send this to an independent body who can look at this information. It is vital. We are committing 10 to 15 year Housing Corp money and probably all MACA money in terms of land development into this whole big pot. We need, as a government, to do more diligence.

Let me just ask a second question on this. If he does not know the land costs and all the other stuff, then how could he say in his written answer to me, with any level of confidence, that \$200 million out of \$270 million will come to the North? He says here that all that housing money is going to come up here. How could he say that? On what basis is he saying that?

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

**HON. DAVID KRUTKO:** Mr. Chairman, for Ms. Lee's comfort, I will give her the information we have been able to develop to date, with the understanding that this information is not complete because we have not concluded our negotiations in regards to this item. So I don't want to have this information out there knowing that it's not complete, that we have preliminary numbers that we're working from and those numbers change every day of the week. We have people that are negotiating between the different parties to come up with numbers that we feel are the numbers that we will need to make the final decision. That's why we have the committee structure, so that we can go to committee with the

information that we have to provide to committee, lay out exactly where we are going as a department, and I have gone forth to the committee before on this matter. I think to be fair to all the Members of this House, I believe that is the more appropriate process of getting it out there. If the Member wants or the committee would like to see the information we have to date with the understanding that this information is not complete information because there are other parties who are presently working on this. So I commit to the Member that if she wants, we can provide her the information we have to date with the understanding that it's not complete. Thank you.

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

**MR. POKIAK:** Thank you, Mr. Chairman. Just following in line with one of my colleagues about the Novel project. Personally, I think it's a good idea and a lot can be used for the small communities, but I just have a couple of quick comments in that regard. Yesterday, a couple of MLAs indicated that they were invited by the Minister to go and see firsthand the ATCO mobile homes in Calgary, the manufacturing plant. I understand last summer, during a meeting in Calgary, aboriginal leaders were invited to actually go and see the manufacturing plant at ATCO. I'm just wondering if the Minister can tell on whether the Inuvialuit Regional Corporation or Inuvialuit Development Corporation were invited to actually visit the plant and, if not, will they be given the same opportunity to go out to the ATCO manufacturing plant and take a look at these units? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we have sent letters to all aboriginal organizations in the Northwest Territories. In regards to the Inuvialuit Regional Corporation, we did get a response back saying they declined the tour because most of them have already gone on that tour. So we have sent letters out to all aboriginal organizations, including the Inuvialuit Regional Corporation.

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

**MR. POKIAK:** Thank you, Mr. Chair. Just following up on that, when the aboriginal leaders went down to take a look at the plant, what were their thoughts in regard to these mobile homes? Thank you.

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

**HON. DAVID KRUTKO:** From a first impression, a wow; and then on the way out they still couldn't believe that they'd walked through this facility. But I think, more important, we have received responses back from different leaders in regards to the concept, which, again, we are waiting for responses back, but in most impressions that we have from most leaders, from chiefs up and down the valley, that they are very impressed that they can come up with a facility. I think seeing is believing. I think unless you actually physically walk through it and see it for yourself, you can't really judge something until you actually have done that. So I think most of the leaders that have gone through it have been pretty impressed, and we have received some very good

comments back from different people in regards to some options we can consider looking at in regards to those units. So we have received formal responses, which have been positive to date.

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

**MR. POKIAK:** Thank you, Mr. Chairman. I'm assuming that the people that went down they were basically from the southern part of the area. I'm just wondering if there was any people from the Beaufort, mainly the Nunakput riding, that actually can confer with these units on whether they would meet the cold weather standards up in the Beaufort. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. We have had an individual I know from Tuk in regards to the mayor and a couple other contractors who were at these different shows in Calgary, which they did do a tour of these facilities. I think that because of the R rating of the unit, is R-2000, which has got about an 80 percent rating. So that's one thing we're working on with our technical people to bring it up to arctic package standards. So these facilities will be in the northern region, they will be built up around Inuvik and places like that. So they do have to be able to meet the climate that they're going to be in. So we are making sure that they do meet our northern standards by way of R-2000. If we can exceed that, we're working towards that. Again, to date, we think we have some 37 community leaders that have gone through that facility and a lot of people that have gone on their own. One of the things I have been looking at is the possibility of the Inuvik Petroleum Show coming up. I have suggested that if it's possible if they can have this facility at the Inuvik Petroleum Show so that the public can see exactly what this product looks like and people from the Delta and Beaufort region who are going to be there at that time can see it for themselves. I think that's another way we can see exactly what the public interest in this project will be. Thank you.

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

**MR. POKIAK:** Thank you, Mr. Chairman. Just following in line with the Inuvik Petroleum Show, I'm just wondering if it would be a good time to transport one of those units down there right now and we'll see how well they can deliver. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, again, we are looking at trying to get units in place in Inuvik, Norman Wells and Fort Simpson. Again, the Inuvik Petroleum Show is coming up here in the next couple of months. That means getting it up to Inuvik, setting it up and I guess we will figure it out then exactly how they've met the transportation logistics of getting it from Calgary to Inuvik over the winter road and whatnot. So we are looking at doing that at this petroleum show; if not, the next one. Thank you.

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

**MR. POKIAK:** Thank you. If I could go back to what Mr. Yakeleya was talking about earlier about the Trades Access Program, earlier the Minister indicated that ATCO are looking at roughly 70 people to go down to Calgary. I'm just wondering if the Minister can elaborate a little more in regard to whose costs for travel for these people, the accommodations, and are they geared towards the graduate students, or are they looking towards high school students? Thank you.

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

**HON. DAVID KRUTKO:** In regards to the ATCO, 70 people. They're short 70 people in their plant right today just to meet the orders that they require, and they are looking for people with different skills in regards to trade skills and also they are looking at people in regards to labour skills, also. Again, it's for anyone who wants to move to Calgary or whatnot and sit down in regards to different companies from ATCO's structure and looking at ATCO Frontec and other companies that they do work with. Again, it's something we're working on to see if we can develop a training program, get people interested and see if they're willing to stay in the South, work in the plant for a number of months or whatnot, come north and do the conversions. Again, this is an employment opportunity that's out there if anybody wants to take it.

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

**MR. POKIAK:** Thank you, Mr. Chairman. I'm just wondering about who will pay the costs for the individual to actually fly down to Calgary, find a home to stay down there. Will ATCO take care of the cost, or will the Housing Corporation be responsible for the cost of it? Thank you.

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

**HON. DAVID KRUTKO:** No, Mr. Chair, that cost will have to be burdened by the individual that wants the job. Again, they can go to ECE or Human Resources Canada to see if there's dollars there to transfer them to a job opportunity, relocation costs by way of those programs that we already have in place. So there are departments and programs out there for that. Thank you.

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

**MR. POKIAK:** Thank you, Mr. Chairman. I think maybe that's one of the reasons why we can't find anybody to go down to Calgary, is that they probably can't afford it anyway. So I think we should, through ECE, maybe try to find ways to find the people that are interested in going for their training, the so-called training by ATCO. So I think we have to go a long ways for now to find these 70 people that they require, but I think it should be at ATCO's expense. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, again, it's an opportunity if anyone wants it to put an application in with ATCO and they see you're qualified, call them up and if they want to hire you and fly

you down there, it's their cost, if a person wants to make that arrangement. But, I think, like I don't want to confuse the other aspect of the human resource program that we're trying to develop with them because that is to develop the skills we're going to need to do the conversions in the communities and we want to identify people in the communities that are able to do the conversions, but give them the basic skills they're going to need to do these conversions. That will happen prior to us doing the conversions at the end of the project. So that's something we're developing with them. It's not in place right now. We are working on it, we're having discussions on it, but again, I don't want to confuse the issue with the 70 jobs that are available at ATCO right now and what we're doing by way of developing a human resource plan to deal with the human resources we're going to need to do the conversion. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Before I go on -- I've got Mr. Braden and Mrs. Groenewegen -- I just wanted to mention one thing and that is we spend a tremendous amount of time, I'm as guilty as anybody on spending time on Novel, it's not included in spending in the budget and if I could as committee if we've got a specific ask of the Housing Corporation in terms of the Novel project and where it's going and what we'd see I'd like to suggest that we make that ask and we move on with our budget deliberations. I've got Mr. Braden next. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman, and I believe I'm going to try to satisfy your suggestion. Indeed, the discussion has covered a lot of ground here and I'd like to put two asks before committee before the Housing Corporation on this to see if we can move it along. The first one, Mr. Chairman, relates to an aspect of this that Ms. Lee was talking about just a little while ago, and that is the verification, the testing of this concept and of the negotiations that are underway, and as the Minister says, have yet to be finalized. I think it is quite reasonable for the Minister to say look, we're still considering this, the corporation is not at the point yet where it has something to put forward for real tangible consideration, but it will get there and I'm anticipating relatively soon, or within the next fiscal year.

Mr. Chair, I think, to my satisfaction anyway, we've probed the idea enough. We have advised the corporation of where many of our essential concerns are and my ask of the corporation is that when it gets to the stage when the planning committee, that is CMHC, ATCO, the Housing Corporation, whoever else, when this committee deems that negotiations have reached a certain point where it needs to be aired that absolutely it comes before committee, but also at that stage that it cooperate with a third party fully independent, feasibility review of many aspects of this project, a lot of which have already been aired here. I've been making a bit of a list, Mr. Chair, and I would suggest the things I want to see in that third party review would cover the technical, engineering and financial risks and benefits, the lands issues, energy and operating costs over the life expectancy. Market suitability, Mr. Chairman, are these units really going to meet the demands and be flexible and versatile enough for our needs? It is essential that we look at market disruption. Having this many units come into our market in such a short period of time is going to create a huge wave of some kind both before and after the units are delivered. What will that impact be? The other aspect -- and I'm

going to come back to it -- is northern manufacturing. So that's my first ask, Mr. Chair, is that a third party feasibility study, which, as Ms. Lee said, is standard process for virtually every kind of initiative we undertake that this be done and that it be considered an integral part of the planning process and the cost, which I suggest Mr. Chair should be assumed by the Executive or maybe ITI, but I want to see it separated from the corporation and any of the parties that have a vested interest. Let me stop there. Is that a realistic ask and I'd suggest a conclusion on that point that we don't need an answer today. If you want to consider that and come back to us at some point during our deliberations that's fine.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** I can't commit to that today, but I will definitely report back to the committee once we have the findings from the other committee to make the presentation to whichever committee it's going to be, the AOC, Social Programs or whatever, but I think that in order to allow for an understanding of where they're going, I think that the technical committee that is in place right now should be the one doing the presentation to the committee by way of AOC or Social Programs. I do commit to that because they're the ones that are dealing with all the numbers, they know all the facts. Also, in regards to the independent review, I don't have a problem with that. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** The independent review, that was the critical part of the ask. The second one that I would like to put forward, and for me this is an absolute, this is not a negotiable aspect, I would need to know to what extent, not if, but to what extent this project, this initiative, will result in a permanent northern manufacturing increment that will be part of the legacy of this project. Mr. Chairman, for something the size and the significance of this, to us to even begin to think that we should entertain this while all of the labour, all of the manufacturing, all of the material, supplies are going to be vested in a Calgary factory is unacceptable. There must be some northern manufacturing component to this. The other aspect that I think that we need to consider is that housing is ever present, it's ongoing and if this Novel project and the concept and the economies are such a good idea, then why don't we create something that is going to be sustainable on the ground here in the Northwest Territories and our sister community to the south in Hay River I would even go so far as to say that is the natural place for it.

**AN HON. MEMBER:** Yes, don't ask, don't get.

**MR. BRADEN:** Will you bring us as part of your plan a northern manufacturing component?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. We are looking at all the alternatives that are out there and one of them is looking at the options and the opportunities that will spin up from this project. So we are already, like the Member from Hay River mentioned, we are already in discussion with the business community in Hay River and

which it's ATCO that's the one that's basically talking to the business community. Basically through our review of the total program, once we do the assessment, that as long as there is no additional cost to ourselves or the product at the end of the day, I don't see why we can't do it. We're already doing it. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Mr. Chairman, that answer does not meet my requirements here. The Minister put a qualification on it as long as it doesn't cost any more. For something as significant and as vital to us, I am willing to look at a cost component because I know that there will be a return. There's got to be a return if we design it the right way on a sustainable, ongoing basis. If there is an extra cost component, tell us about it, let's look at it. I think it's unrealistic to say that if it's going to cost more, it won't be on the table. I want to see that included.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Yes, we're looking at it.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Thank you. There's one other aspect of this discussion, Mr. Chairman, that is more of an opinion or an observation, and that is the numerous visits and tours that have been conducted of the factory floor. Mr. Chairman, for me, the proof of the pudding is going to be when these units are actually delivered and on site in any one of these given communities after they've been picked up and moved probably several times, after they've already survived four or five or six winters in the NWT, after they've survived three or four seasons of hard use by pipeline construction crews, after they've been refurbished. Mr. Chairman, of course I'm going to be dazzled when I get down to Calgary and have a look at a huge, state-of-the-art factory, a spotless, brand new, sparkling clean, never-been-used house. Of course it's going to be impressive, but we should not think that this is all we need to see to judge and get approval of these. What we're basically buying here is used houses that have to go through numerous steps before they actually arrive in the hands of their new and permanent tenants. So I discount very heavily the accolades that have come forward so far because that is not what we're buying on the factory floor in Calgary. What we're buying is going to be six years from now, after many different stages and steps, eyes open, ears open, let's not get carried away with looking at shiny new things because that's not what we're buying. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. I definitely would like for Mr. Braden to go to Calgary, see for himself exactly what the product is, but we have already thought of exactly dealing with this matter by way of putting show homes in Inuvik, Norman Wells, Fort Simpson. We're already in the process of working with the Deh Cho Bridge Corporation of using these camps during the construction of the Deh Cho Bridge and converting them into housing and moving those units into Fort Providence long before this project is even going to

be concluded. So we're already in the process of doing that, so that we can see exactly how this product will stand up to our northern climate and exactly how the individuals who will be occupying each unit feel about the unit and identify logistical issues that we're going to have problems with or what works or what doesn't work. So we are doing that well before we even make a decision on a major purchase. So we're already in the process of doing that through these different scenarios. So we already have these plans in place, we are working on them. So it's not as if we're not moving on that. We are in the process of doing exactly what the Member is asking for. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. I've got Mrs. Groenewegen on the list next. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, I know you don't want us to talk about Novel anymore, but just to the point that Mr. Braden raised about the shiny, new, glamorous looking housing, they're not that glamorous. They sort of look like any other kind of prefabricated home that you'd see, but what I want to tell you is what I was impressed with, okay, when I was there and I saw them, it was that this utility room becomes the stairwell to the basement, this wall, although it's a dividing and separating partition now gets knocked down and it has no structural bearing on the unit after the fact. You pull this panel off and behind this panel is all your plumbing for your kitchen units. I mean, it was the ingenuity that struck me of the concepts and the idea of building it in upfront. I mean, anybody that's ever done a renovation you know what a pain it is to try and put things in the wall after the fact. Here it's all there. It's like a kit and it's like it does a complete double duty thing. Anyway, I just wanted to say that. As to how they had them decorated and things like that, they just kind of look like any other kind of prefabricated type home. It would take a lot to impress me in that area; but on the conversion piece, it was ingenious, I thought.

Okay, onto something other than Novel, Mr. Chairman. I'd like to talk about the NWT Housing Corporation's business type programs. I'd like to know what they still have in place in terms of bridge financing, loan guarantees, support to developers who want to get a project off the ground, and I guess the reason why I'm asking that is I have to ask why it is that somebody that is resident with the NWT Housing Corporation, versus somebody like BDIC that's already got a team of people in place who do business plan analysis and assessments and that kind of function when it comes to exposing GNWT money to some risk? Why is that a separate thing in-house in the NWT Housing Corporation? First of all, what programs do you have and, secondly, why do you have them? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we do have the Corporate Loan Guarantee Program in place right now. Thank you, Mr. Chairman. Mr. Chair, we presently have some 278 units, and out of that, the project value is \$39.914 million. Right now we have a current balance of \$11.344 million outstanding on those loan guarantees.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I was actually asking for just a kind of a description of the type of programs that I listed. Do you offer bridge or interim financing, temporary loan guarantees, or is this financing that you need in place for units? I was kind of looking for a bit of an overview on that. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, I'll allow Mr. Anderson to respond to that question.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The corporation used to provide interim or bridge financing directly historically. But we've now to a process where we do loan guarantees to the banks. That's put in place for...We do some for residential, but we've done quite a few projects through our Corporate Loan Guarantee Program and it's been very well received by industry and we've had no losses under the Corporate Loan Guarantee Program. Thank you.

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

**MRS. GROENEWEGEN:** Thank you. So in terms of the Housing Corporation's mandate then, how does corporate loan guarantees fit in with what you're trying to achieve? I would assume these proponents are building multi-residential complexes. How long do the loan guarantees stay in place, and how does that tie in with your mandate? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. The loan guarantees are in place during the construction phase, and then we expect them to be underwritten by one of the CMHC or one of the other underwriting companies for their long-term financing. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. So these loan guarantees then are offered in all communities in the Northwest Territories, market and non-market communities, and again, what is the advantage? I mean, I suppose the economics in market would dictate in the market communities whether or not a project will be viable. So what gap, or what role do you see your particular program filling? What's missing in terms of commercial banking that you need to be involved in that? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. The Housing Corporation, we've negotiated our loan guarantees with several of the commercial banks. In some cases, particular in the more remote communities,

they're hesitant to lend the financing on projects where a project hasn't been developed yet. So that's why we step in at that phase, and it helps us provide more affordable housing to the folks in the communities and that's part of our mandate. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. That would be completely understandable in remote communities. I would suggest that traditional lending sources would be unfamiliar, that would be unfamiliar territory to them and they wouldn't know the communities well enough to know what kind of risk they were taking and it might be difficult for them to assess. Is this limited to remote communities, or is the Loan Guarantee Program available in all communities in the Northwest Territories? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. We do offer it in all communities in the Northwest Territories. We have had a larger take-up in the larger centres to date, but we are certainly open and we've also done projects in the most remote communities in the NWT. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. In the larger communities, then, where there's...Well, the only one I can think of where there's a lot of...Well, maybe Inuvik, too. Maybe Inuvik and Yellowknife where there's a lot of construction going on. I guess where you see multi-residential complexes going up on a fairly regular basis in Yellowknife, again, what's your purpose in being involved in loan guarantees to precipitate that development if there's a market and there's a demand and, obviously developers are providing a supply? What do you see as being your role in there? Wouldn't that just stand up to any kind of a business case test in a larger community where there's lots of access to commercial financing? Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. That's a good point you make; however, we've consulted with the financial institutions and a lot of cases, in the cases where we've offered this service, it's been well received by industry, and it's a very low risk situation for the NWT Housing Corporation, so we've been providing that service. Thank you.

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

**MRS. GROENEWEGEN:** I wonder, Mr. Chairman, if you've ever had any feedback with respect to the Loan Guarantee Program in terms of market disruption, whereby this might give one developer a decided advantage over another that wanted to get a project off the ground? I know you could say it's probably available to either or all, but have you ever had any feedback whereby people in the industry thought that this was

perhaps an unfair or disruptive action on the part of the Housing Corporation? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. Pretty much all of the projects that we do have, have been with small developers. We haven't had, I don't believe, any projects with the big developers in the NWT. They have better access to financing than a lot of the small ones do, so that's the group that we're providing assistance to. Of course, our objective is more affordable housing in the NWT. Thank you.

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

**MRS. GROENEWEGEN:** Thank you. As far as your Loan Guarantee Program, Mr. Chairman, as far as the Loan Guarantee Program going to the issue of affordable housing, I don't really know how that would exactly impact the costs. It might move a project ahead that wouldn't normally be able to, but how it would affect the affordability of a project I don't fully understand. Do you see that role as something that could be easily consolidated with what the Business Development Corporation already offers in terms of business support? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. There's no question; I think it would be offered through there, as well. It's a bit of a niche market that we've been working in because of our familiarity with housing, of course, across the NWT. But whether it's provided by us or another corporation of the government would be fine. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. I don't have anybody else on my list for general comments, so I'm just wondering is it committee's wish...Oh, Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, my question, just in following up to my previous questions, is you must have to have expertise resident within the NWT Housing Corporation to assess such proposals, that same expertise that's already resident in another agency of the GNWT. Would this not be somehow some kind of a duplication because we have to assess the applications? Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. We do the assessment in house, in consultation with our partners in the banking industry. We have to be satisfied of the risks associated with the project, as well as the bank's, and as well as the ability of the project to qualify for long-term financing. So we work together in a collaborative effort to make that happen. Thank you.

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

**MRS. GROENEWEGEN:** Thank you. This is a substantive support to business. How transparent are your cases or your work in this area? The whole issue of

confidentiality came up around the BDIC business support programs, as well. What's the policy of your corporation with respect to transparency? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. We do, because we do support these projects, they are identified on our financial statements as continual liability to the Housing Corporation. So we do include them in that, which is part of our annual report completed on an annual basis. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. So the total of your exposure and liabilities is indicated in your annual financial statements, but the actual communities or proponents who receive support is not. Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. No, that level of detail isn't provided in the financial statements, but we certainly have no problem indicating the communities and the units and values to Members, if that's what they'd like to see. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, I've already referenced this whole issue of the Rent Supplement Program. I have a document that I have provided to the Housing Corporation at a previous briefing. I don't know if they have it with them, but I did have a few questions on the Rent Supplement Program. I didn't have this document in front of me when I asked the questions the other day, and I still don't have all the information that I want and I just want to ask some general questions about the Rent Supplement Program, if the Housing Corporation has the same information at their fingertips. Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. As we indicated yesterday, we complete a review of all of our leases under the Rent Supp Program and provide it back to the Member. Thank you.

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

**MRS. GROENEWEGEN:** Thank you. Just for the benefit of the record then, the Rent Supplement Program costs the NWT Housing Corporation a total of \$4.113 million a year, and change, and represents contracts with, it looks like approximately 28 different proponents. The leases are anywhere from five years, pretty much at a minimum, to 20 years. I just discovered one here today and it looks like it's for 35 years here in Yellowknife. So I asked this question before, and I guess I wasn't completely happy with the answer. I don't know if we're going to get through the NWT Housing Corporation budget here today without any deferrals, but I would like to see the results of this

analysis that the Housing Corporation has agreed to undertake. As I stated before, even the ones that are 20 years have a five-year term attached to them. Now, understandably, it may not be possible to end the contract on the five-year renewal dates. Perhaps that is a day at which an escalation clause, or a negotiation is considered. But it's my understanding that the terms of these leases continue to be extended and negotiated with these proponents. I guess \$4 million is a lot of money, and it would just be nice to know that there is good value for money. From the information that I have in front of me, it indicates total annual payment; it doesn't indicate -- and there might be a lease -- but it doesn't indicate how many units, what size of units, things like that. So I would like to know when the Minister said that he would provide an analysis in February or March. I want to know if the Minister would actually provide an analysis of this, with more detailed information, prior to the end of this sitting which is essentially the end of February, before this House rises. If the answer to that is yes, I would like to suggest that for this reason and a few others, that the conclusion of the NWT Housing Corporation be deferred and not decided on today. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we will be going through information in the budget in regards to information items, and I think that's where this discussion should take place. I think in order for us to get that information to the Member prior to the end of this session, we can't commit to that. I think a lot of the information that's here now is in the budget, so if we can get into the budget and deal with this information, it's in the budget and speak specifically to the budget. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I mean, we could carry on here, I guess, and I could carry the ball on a whole lot more general comments on the NWT Housing Corporation. I still have a lot of questions here. Granted, some of them could perhaps be covered off by the information items. I'm only one vote and I'm only one voice, but my preference is going to be to not conclude the NWT Housing Corporation in today's sitting. So I'm not sure if that needs to be brought forward in the form of a motion, or in terms of process how that will be dealt with. Thank you, Mr. Chairman.

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

**MR. BRADEN:** Mr. Chairman, to Mrs. Groenewegen's point, it's a good one. I also agree that I am not prepared to conclude the Housing Corporation today, but I think there will be benefit, we can go through the page-by-page detail here in which there, yes, indeed, other aspects that we would like to query. But the final conclusion of the corporation's appropriation, yes, I, as well, want to defer until later in our budget session. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. So is it committee's wish then... I think we have a motion that I think is going to be passed out. Is it committee's wish to go page by page, or is it committee's wish now to defer consideration of the detail until later? Page by page?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you. My difficulty, Mr. Chairman, is that I still have a number of issues, and when I look at the information on the page by page, unless somebody helps me, I'm not really exactly sure where they all slot in. For example, I still want to talk about land administration issues; I want to talk about the issue of some of the... I want to talk about the number of units of empty and abandoned Housing Corporation units that are in the communities that are obsolete, not being used, not being repaired. I'm not really sure exactly which information item these fall under. So I'm just telling you what my difficulty is with that. I want to talk about consultation with LHOs, what role they play in terms of the direction that headquarters takes on a lot of these things. So do you want me to just guess at which page they're on, or... Mr. Chairman?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. No. My suggestion would be that we stay on general comments until they're done. If Mrs. Groenewegen has general comments, and other Members have general comments, we exhaust that until we're ready to go into detail. So now we're still on general comments. Mrs. Groenewegen, general comments.

**MRS. GROENEWEGEN:** Thank you very much, Mr. Chairman. To the issue of some of the things, then, that I just listed off. When a person visits the communities, you can't help but notice there are a lot of vacant units within communities. I'm not really sure who owns them; however, I highly doubt that they're privately owned. They look like they might have been housing units from some previous era, because they're of a different kind of design and, for whatever reason, have been left. They are, for one thing, unsightly. They are targets for vandalism. But some of them may be available to people. They could fix them up if they were given access to them, but it seems that they've just been abandoned. So I'd like to ask the Minister if he has an inventory or could give us a bit of an idea of how many units the NWT Housing Corporation has right now in their possession that are unoccupied. Thank you.

**AN HON. MEMBER:** Good question.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, presently we have 138 vacant units. In most cases, those units are vacant for reasons of repairs. Also, like I mentioned, they are in the process of having to use the O and M dollars for a lot of these units to transfer over to our newer units and that is a practice that has been going on in the communities. Because we don't have the dollars to pay for the operation of our newer units, we are having to shut down housing units and the money that is expended on that unit is transferred to the newer unit once we have them in place. In most cases, they are vacant because they are being repaired or are in a repair program.

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

**MRS. GROENEWEGEN:** Thank you. I maybe missed the very first part of that answer, Mr. Chairman. I wanted to know if you had an idea of how many units you had in your possession that are not occupied at this time. Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. We have 138.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. There is 138 units territory-wide sitting empty or abandoned because money for operations and maintenance has been transferred to new units does not make a lot of sense to me, especially not if we have a housing crisis and we have a critical housing shortage for people in the communities. Just even on the basis of the fact that they are occupying a piece of land that is already surveyed and could be available for construction of something else. We have a land shortage, we have a housing shortage, and 138 units sitting empty...I don't expect the Minister to be able to tell me all the reasons why these houses were abandoned, but might I suggest that's a fair amount of investment that is sitting there that should, in my opinion, be brought up to standard and utilized or torn down and used the land for some of your new units. Recycle the land. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. A large portion of these units, like I mentioned, are being repaired under our major repair program. Because of the repairs that are taking place, that's why they are vacant. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Are there any reasons why the NWT Housing Corporation would keep a unit in their inventory even if it was not being utilized? Did somebody else, a third party, provide the money for the unit and they would lose funding if they were not still standing? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, like I mentioned, with the social funding going to Education, there has been a cut from the social funding we have received from the federal government. A large portion of those social cuts are in the area of the O and M for operation of social housing. So in order to replace those federal dollars, we are having to get units off stream, especially the old SHAG units we had in the past. Most of these units have outlived their usefulness and are going to be replaced with newer units. The majority of units that you see with regard to the budget that has been presented, 75 units will be there to replace social housing units. We are looking at constructing six or eight units and acquire that land that these units are sitting on. So we are already looking at that scenario with regard to the

replacement of our social housing by way of the 75 units that are in the budget. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, does the Housing Corporation ever consider taking units that they don't have the dollars to upgrade, or operations and maintenance, or invest any money? Do they ever transfer those units that still have some useful life left in them to band councils, or community governments, or aboriginal groups that may have access to funding through other means that they could reinvest in those units? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we do have a program where we purchase public housing initiatives. We ask the clients who are in these units if they would like to purchase their unit. We do have a program out there, but there has been very little intake on that. People are aware of that program, but there are hardly any people wanting to take an older unit. If anything, they would like to move into a newer unit. So that program is out there. We have had a few units through this program given to the tenants. We do have a program such as that.

I would also like to reference the numbers. I mentioned 138. That also includes units that are not occupied. I know there has been some discussion about vacancies and Tuk facilities and facilities in Fort Smith and other seniors' facilities. This also includes seniors' homes. That number includes all public facilities. I just want to make that clear. Thank you.

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

**MRS. GROENEWEGEN:** Mr. Chairman, in terms of units that are in good repair, like the seniors' units that you mentioned then, I would suggest that if there is no uptake on the horizon, that these facilities be reprofiled and that they get put into use. It's just about unthinkable in some of these communities where there must be a demand, whether it's young people who are heading out on their own, in communities where there isn't a lot of market there aren't a lot of options. There must be demand. It's sad to me to see facilities being operated, O and M going into them, the lights are on, the heat is on and they are not being utilized. I think that's a tremendous waste and you have to get very creative when you think about working and consulting with communities to find out how these facilities can be put to use, even if initially they somewhat missed the goal or the target when they were initially constructed. So I would like to see that reprofiling exercise take place.

Back to the abandoned or unused units, you are saying that some of the older units are available to the occupants in them. They would rather not take them on under homeownership themselves. They would rather get a new unit where essentially the capital and the O and M is picked up by the NWT Housing Corporation. Isn't there anything that you could do, Mr. Chairman, that would kind of make there be some incentive to people? Give them the house, if they will take on the operations and

maintenance of the house, and fix it up and invest something in it, some of their own sweat equity into it, and it gets them into an independent situation and off the books of the NWT Housing Corporation. It would be worth it for you to give the units away. Is there anything that precludes the government from giving the units to those occupants or giving away the empty units? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we have sold 33 public housing units to our tenants under this program. The program is out there and we haven't had the uptake we were hoping we would. I think it's an alternative for people to get into homeownership, but again, because of the concern of the operational cost of an older unit, they want to have a more energy-efficient unit. Those are most of the concerns we are hearing, because they are old. They need a lot of repairs and brought up to a certain standard. Those seem to be the problems.

I would just like to illustrate with regard to vacancies; I will use Deline, for instance. It says there are 26 units vacant. There are nine units which are shut down; four are under renovation; six are bachelor units; and seven are under major repairs. So that gives you an illustration of some of the vacancies in the smaller communities. If the Members like, I can get copies of this so you can see exactly where the problems are. Most of them are units that we had to shut down because they are under renovations.

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

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Just a few questions on the numbers that the Minister just provided. Just a question on the shutdown units. How long have they been shut down? How many years have they been sitting there boarded up?

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we would probably have to provide that information, but, in most cases, you will see the number of units that have been shut down and the number of new units that they got, if they coordinate with each other, you can see the reason they shut it down was to transfer the O and M of those units to the newer units they have constructed. So in most cases, you are able to see that in the numbers.

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

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I don't know how we can figure out how long they have been sitting just from the number of new units that are going in. From one of my communities, I have a lot of units there that have been boarded up or abandoned for quite a number of years now. Maybe one or two, if we are lucky, get removed every year by way of a public tender or just the government going in and dozing it down. I know that there are a significant amount of housing units all over the community that are boarded up and have been that way for a number of years. The housing is still looking for new

housing, lot developments in other areas and we have a whole whack of houses boarded up. I just wonder if the Minister can provide more information on the communities, and how many lots have abandoned units or boarded up units on them, and how long they have been abandoned and boarded up.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. With regard to the Member's riding, in the information I have, it shows three vacant units in Fort Res. So those other units that are boarded up could be someone's HAP unit or someone basically who has received a unit in the past and it's a private homeowner who owns that unit. So right now, we only have three vacant units in Fort Resolution.

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

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Just getting back to some of the rent supp questions that were being raised with the 28 companies that hold onto these rent supp leases in the NWT, I know that with my experience with working with the Housing Corporation as an LHO manager, the rents do come up every five years for renegotiation. I have consistently expressed my concern for the high rates the government pays these companies for the lease agreements that are in place. The government has the responsibility to keep these units in fair shape and are responsible for all the repairs and maintenance and pays full rent, whether they are occupied or not, 365 days a year. I know that a lot of these units that the government has 20-year leases on, I can figure out the costs associated with construction and lot development and everything. A lot of these places have paid for themselves two or three times over. My feelings are that the government really walked...or contractors basically jumped on the bandwagon when the government came out with this Rent Supp Program. In a lot of cases, I can see why these contractors just are so quiet about the Rent Supp Program, that it's just a gravy train for a lot of them and it just keeps their companies afloat in a lot of instances. They don't have to supply any maintenance or any upkeep or anything like that. Basically the onus is on the GNWT and the LHOs to see that these units are kept in fair shape and that means in the 20-year lease, those companies expect to see the unit still liveable after 20 years. I am telling you, those public housing units don't last 10 years without some major repairs happening.

It just gets back to what the other Member was saying about the whole rent supp agreements. It's really hard when you are talking about \$4 million in payouts to these rent supp units every year. With some amendments, that might make it go even higher. I find that it's just a give away. It's really just government throwing money away into the communities and all these rent supp units are usually owned by private construction companies or private landlords. I think that's something that should be revisited by the Housing Corporation, because if we are 10 years into a lot of these leases and we are already dishing out \$40 million over 10 years, in another 10 years that's another \$50 million. That's a lot of houses there. Then when these leases are up, the government is expected to give the unit back to the leaser in living condition. I just don't know why the government actually backed itself into a corner like that.

I would like to see more reviews done into all the leases the government has entered into and the rent supp program. I think that a lot of them are way over market. Mind you, some of them will probably be under market, too. I would say that there has to be some adjustment made every five years in favour of government, in favour of market trends and wear and tear in general, and the shape of all the units that the government has to upkeep.

Getting back to the Member saying there is just not enough information and \$4 million a year is a big chunk of the NWT Housing Corporation budget, and I don't see it anywhere in these cost estimates for rent supp units or anything like that or what changes are being proposed. I would even move that the review in Committee of the Whole for the Housing Corporation to go through detail, but I think the whole department has to be revisited after this information is provided. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, the Rent Supp Program has been around a lot longer than we have. I think the decision was made back then to find a way to deliver housing in a non-market environment where we had to find some options. We got cut in 1992 from the federal social program funding and the government-of-the-day made a decision. That decision, at the time, was to go to rent supps. You can see from the history of these projects, most of them are in place, like the Member mentioned, 10 or 20 years, but 10 years ago is when most of them were gotten into. If there is an avenue to review those clauses with regard to opting out clauses or review period clauses, we already committed to look at that and see what we can do to review this process. If these are locked in, we do have a legal obligation that was put in place by former governments. Because of those legal agreements, we have to fulfil those agreements. Again, I commit that we will look at these arrangements and see what our options are, and what alternatives we can look at to review these arrangements and what legal options we have of getting out of them. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Thank you, Mr. Minister, for that commitment that there will be a review undertaken anyway, or at least a visit to the Rent Supp Program because I think it's something that's been put by the wayside for too long and every time a five-year renewal comes up, they just, without much thought, sign on the dotted line and sign for another five years. The LHOs, I know the rent supp is included in the LHOs' quarterly or monthly contribution agreements also, but maybe some of these rent supps could go up and some of them could go down, depending on the housing markets. The LHOs would be better off knowing that there are some reviews being done and to get them to understand how their money is being used more effectively with the rent supp programs that they manage. So I look forward to seeing some kind of a review process carried out in the Housing department to oversee the whole rent supp initiative again.

Other than that, I look forward to the details about the whole program. That's all the questions I have for the Minister so far. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. We are committed to review this.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Just to follow up on a couple of things that Mr. Villeneuve asked about with regard to the rent supp analysis. Again, thank you for committing to that, but I did bring this up at least two months ago and the people in the committee meeting looked at me like I had 10 heads. I have been talking about this for a long time and now it seems like here we are wanting to approve the budget and now we are going to look into it. I still want to know, and I am going to go back and check Hansard from yesterday because I asked if any renewals have been signed in the last two months and I was told no. I am going to compare that to the information that we get because I have reason to believe from other sources that, in fact, some of those renewals may have transpired in the last few months since this has been brought up. So I am not saying anybody was misinforming me intentionally, but I am curious to see that comparison.

Mr. Chairman, I am interested in the timing of that analysis. I would like to see that be made a priority, and I would like to see that information come back to this House as soon as possible. I don't know how quickly it can reasonably be done, but it's only 28 contracts. It shouldn't take that long to analyze it.

Mr. Chairman, just moving on, when we talk about consultation with stakeholders, certainly the Standing Committee on Social Programs is considered one of those stakeholders, and things that the Housing Corporation is undertaking we believe comes back to Members of this government to consider. The LHOs, I think, are a tremendous source of input and I would like to get the Minister's characterization of how large a role the LHOs play in terms of setting the direction of the NWT Housing Corporation. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we do have annual, ongoing territorial meetings. We do have regional workshops with our local housing authorities. By those workshops, it assists us in developing work plans and also the allocations that are requested. We then realize what the frontline workers are dealing with. So we do have ongoing meetings, either at the territorial or at the regional level with the LHO or LHO staff along with the regional staff. So we have had, since I have been here, quite a few meetings especially in the regions or districts and also in Yellowknife with our local housing authority staff.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. So the observations and input of the LHOs as the frontline representatives of the Housing Corporation is then brought back and given serious consideration in setting

policy and priority and direction for the NWT Housing Corporation. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we do work closely with our LHOs because they do a crucial job for us being the frontline workers that we have and it's important that we keep them involved in all aspects of what we are doing, where we are going and what is happening within our operation. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. One of the other areas I just wanted to touch on briefly is there has been much discussion within this government with respect to our ability to affect the cost of government through energy conservation and energy efficiency in equipment and buildings that are controlled by the GNWT. Certainly the NWT Housing Corporation is a large piece of the infrastructure in the Northwest Territories. I would like to know if there are any specific initiatives underway within the NWT Housing Corporation to control or curb costs associated with your O and M in response to the higher energy costs that everyone is experiencing right now. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we are working with the Arctic Energy Alliance on different initiatives. We are partners in that arrangement. We are also trying out different products. We are trying what is called a conematic system, which is a heat system that we are trying in three communities -- Hay River, Norman Wells and Inuvik -- where they run off of gas. Also, we are looking at working with communities on energy projects such as heating systems in seniors' homes. We've tried monitor heaters to act as a backup system for seniors. We have tried pilot projects in different communities. We are also working with other agencies to find energy-efficient ways of heating our homes, but also trying to bring down the cost that we have in place for our public housing. So we are working in different areas of that. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I would like to talk to the Minister about the consultation process that he's about to undertake, or a committee under the direction of the Premier is about to undertake, on the mandate of the NWT Housing Corporation. I was wondering if there has been a price tag yet determined in terms of that consultation. Thank you.

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

**HON. DAVID KRUTKO:** No.

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

**MRS. GROENEWEGEN:** I'm sorry, Mr. Chairman, I didn't hear the answer. Has there been a cost yet attached to that consultation process on the mandate?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. The answer from the Minister was no. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. That is troubling to me because that is something that we have had a commitment on a fairly tight time frame on, that this extensive consultation is going to take place and I don't think it's going to be without significant cost and if the NWT Housing Corporation is paying for that, it's just good planning to try to assess what that's going to cost and have that in some kind of a budget. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, the review of the committee falls outside my mandate. It's now in the hands of the Executive. The committee is headed by the Department of Executive, along with two other departments in which Mr. Anderson is part of the review committee. Presently the review will be done, which will be overseen by the Executive.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Is the Minister aware of a budget in someone else's department with respect to a price tag on this consultation? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. We will go to Minister Roland for that response. Minister Roland.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, the initial layout of the process we are going to undertake is we are using internal resources to deal with this. We haven't set aside a budget, so to speak, on the consultation to go around. As reported, it's to report back in a couple of months and work with Members. So we haven't set aside or identified a budget; for example, travel to communities and so on. We'll be using existing resources from within departments. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. The Housing Corporation had indicated that they were going to be doing community consultation on the construction of new units, which appear in the budget. Now supposing their budget gets approved, they're going to want to talk to communities about that. That's another type of consultation, albeit on a different subject. Is there any way of combining the consultation on both of these topics to save money? Thank you.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, in regards to our consultation and in regards to community consultation, usually they are done by our district staff in which they go into the different

communities, sit down with the LHOs and the people in the community and see exactly how we're going to deliver our programs, but those are done in consultation with the communities. Again, the consultation that's being done in looking at our mandate, again, handled through the executive, and I think that I'm not too sure exactly what the process is, but they are in charge of that process. So if they want to work in conjunction with what they do, I think the avenue is there.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Back to general comments. Nobody else on the list. General comments. Is committee agreed we go into detail.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. I'll draw your attention to the main estimates book, page 8-11. Yes, thank you, committee. We'll defer the operations expenditures summary on page 8-7, we'll start on page 8-11, activity summary, NWT Housing Corporation, operations expenditure summary, 2006-2007 main estimates, \$36.828 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. Page 8-12, NWT Housing Corporation, information, active positions. Any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 8-13, any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Thank you. Page 8-15, another information item, NWT Housing Corporation, corporate summary, operations expenditure summary, any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Page 8-17, another information item, executive, operations expenditure summary. Questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Thank you, committee. Page 8-19, information item, planning, programs and strategic direction, operations expenditure summary. Any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Thank you. Page 8-21, information item, finance and strategic investments, operations expenditure summary. Questions? Mr. Braden.

**MR. BRADEN:** Okay, we've got a couple of variances in here, Mr. Chairman, that deserve a bit of explanation. Compensation and benefits will take a substantial jump in the finance and strategic investment area, Mr. Chair, from what is anticipated to be about a \$1.265 million expense this year to almost \$1.9 million, over \$600,000 almost a 50 percent increase in compensation and benefits, Mr. Chair. Could we get some explanation of that? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Clarification for that, Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The increase that we have there is related to some internal shuffling of positions. Finance and strategic investment has been increased seven positions with a corresponding reduction in other head office departments, and that refers to five IT/IS positions and two property management positions that have been moved into this division. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you for that, Mr. Anderson. Mr. Braden.

**MR. BRADEN:** Okay, and those corresponding reductions are shown where, Mr. Chair?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Anderson.

**MR. ANDERSON:** Thank you. There's five positions reduced under the planning, programs and strategic direction division, and two positions out of operations. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Braden.

**MR. BRADEN:** Okay, it's a little bit easier if we got a page number to refer to, Mr. Chair. Thanks.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Back to page 8-21, information item. Oh, Mr. Anderson.

**MR. ANDERSON:** Yes, thank you. The five position reduction was in 8-19 and the two position reduction is in 8-29. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Anything further, Mr. Braden?

**MR. BRADEN:** Thanks, Mr. Chairman. Okay, well perhaps it's explained then if we're adding some other positions here. There's again quite a jump on the travel costs forecasted for the department, from \$56,000 to \$99,000. What's the explanation there, Mr. Chair?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The corresponding increases in compensation and benefits for those seven positions also impacts on other O and M, so those costs were also moved over from those other two divisions. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Braden.

**MR. BRADEN:** Mr. Chairman, in earlier discussion I believe Mr. Koe told us that there is no direct sort of program expenditure budget in this appropriation related to the Novel housing project, but there is obviously an ongoing need to keep the negotiations and the arrangements going with the planning committee. There's travel et cetera and I'm wondering is it in this finance sort of strategic investment area that I anticipate some of these expenses would be coming from? We've also heard quite a bit about extensive tours being hosted by the Housing Corporation to Calgary. Where is that money

coming from, and does the corporation have some anticipation of what it will be spending this coming year? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. I'll go to Mr. Koe.

**MR. KOE:** Mahsi. Depending on which committee is meeting, we have different staff members assigned to the different working committees. So it could be out of operations; it could be out of finance. The majority of the expenditures would come out of executive, and all the tours that were done have been done this fiscal year. We're not projecting any significant expenditures for next year. Anything that we're going to be doing is going to be covered in our regular operations.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Koe. Mr. Braden.

**MR. BRADEN:** Thank you. Does the corporation anticipate that it will be hiring any outside expertise or any consultants to carry on that work, or is it all internal? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Koe.

**MR. KOE:** It's projected, or proposed, that we are going to do all the work internal. Again, there's other government agencies involved with us; FMBS. So the work is going to be within the committee, CMHC, ourselves and industry.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Koe. Mr. Braden.

**MR. BRADEN:** Mr. Chairman, this is all quite valid work in support of advancing this proposal, but it is a significant single project and I'm wondering if the corporation could produce for committee, before the end of the month and before we're finished with the overall budget, some assessment of what it anticipates will be its expenditures on Novel in the coming year.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Koe.

**MR. KOE:** So far this year we've spent approximately \$121,000 on Novel.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Koe. Mr. Braden.

**MR. BRADEN:** Thank you for that information. Does the corporation have any estimate on what it anticipates spending in the coming year to advance Novel? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Koe.

**MR. KOE:** It would be significantly less because in this amount that I mentioned were the costs for expenses for people from the North. So we won't be doing that next year. They've already seen it. I don't have a cost, but it would be just out of our operations.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Koe. Mr. Braden.

**MR. BRADEN:** Thank you. Finally, Mr. Chair, Mr. Koe provided an amount for what's been spent so far this year. Obviously, it is being tracked. So I guess I would anticipate that in the next year, or as the program goes, we'll be able to get an accounting from the corporation of what it is spending on Novel. Not a question, but an expectation. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. We're back on page 8-21, information item, finance and strategic investments, operations expenditure summary. Any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Page 8-22 is an information item, finance and strategic investments, grants and contributions. Questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Page 8-25 is an information item, debt repayment, operations expenditures summary. Questions, committee? Mr. Braden.

**MR. BRADEN:** Mr. Chair, what does the corporation's crystal ball say about future debt levels, especially as interest rates are always flexing and changing? Does this have a substantive impact and what kind of anticipation or forecast have we got here? Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. There's very little risk from rates. The big portion that the NWT Housing Corporation is responsible to pay are locked in over the life of the assets until 2038. That's at 6.97 percent and it's for the full term of the mortgage. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Braden.

**MR. BRADEN:** Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Any other questions on page 8-25, information item, debt repayment?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Page 8-27, information item, human resources, operations expenditure summary. Questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Agreed. Page 8-29, information item, infrastructure development, operations expenditure summary. Any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. Page 8-30, information item, infrastructure development grants and contributions. Any questions? Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chair. We're on 8-30? Okay, Market Housing Program, we seem to be holding at about \$900,000 funding direct from the GNWT for

property management of the Market Housing Program. One of the things that I recall about the market housing initiative was that it was to be self-financing and, in fact, to have a surplus. There was actually a surplus projected in there. However, it doesn't seem that that's worked out if what we're looking for is \$900,000 and its called property management here. What's gone sideways with this, Mr. Chairman? Why are we looking for the second year, well actually the third year in a row now, a substantial amount of money going into something that was designed to be self-financing?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, these units are the old staff housing units. There's about 59 units of old GNWT staff housing. That's what this number falls under. So that's the cost associated with managing the 53 staff houses that we do presently manage, 59, manage on behalf of the Government of the Northwest Territories. These are the old staff housing units that are in communities.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Boy, I'm going to have to polish up my running shoes here, Mr. Chairman. What's the difference, then, between Market Housing Program and market housing initiative? Are we talking about, are there two different pieces of program here? The word market, I guess, has got me thrown here. I'm going to need some help.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. It was a political decision that we no longer call them staff housing. We are now calling them market housing for the old staff housing we can consolidate into this program. So all the public or government staff housing is now called market housing.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Not to be confused with the market housing initiative, is that the case?

**HON. DAVID KRUTKO:** Yes, they also include the market housing that is presently being delivered on behalf of our 22 units that we built under phase one and phase two.

**CHAIRMAN (Mr. Ramsay):** Just for clarification, so is the market housing initiative part of the Market Housing Program? I think that was the question from the committee.

**HON. DAVID KRUTKO:** Yes.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Okay. So we had some old staff housing that for...Yes, draw me a picture, connect the dots here, that for a political reason the name was changed to market housing. What stimulated the change of name?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, the government made a decision to get out of staff housing a number of years ago, which now it falls under the title of market housing. They were transferred to the Housing Corporation to manage on behalf of the Government of the Northwest Territories to provide housing in communities, but for professional staff.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Okay, so connect the dots. It used to be staff housing, but for political nomenclature reasons it is not staff housing anymore, but we're still spending \$900,000 a year supporting staff housing. Sounds like we're still in the staff housing, Mr. Chairman. Maybe somebody else has some questions they can ask on this one, but I guess we're subsidizing housing for staff. That's what's going on here and that's fine. I just wanted to make sure that I know what I'm voting for here, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. I didn't hear a question there. I am going to go now to Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Just a quick question on the homeownership programs, fire damage repairs of \$500,000. I know there are no actuals there for 2004-05, but I am wondering if the Minister can provide me with information on what has actually been spent on fire damage repairs for 2004-2005 and 2005-06? Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, could the Member repeat his question?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I don't see any actuals for 2004-05, so I am wondering if the fire damage repairs program was in place in 2004-05 and what the actual dollar figure the government is spending on fire damage repairs in housing for 2004-05 and 2005-06? Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Anderson.

**Mr. ANDERSON:** Thank you, Mr. Chairman. The reason there are no actuals showing here is we set this money aside for fire damage repairs in our units, but when we have a fire, the money gets allocated to the district and the district spends those resources through one of the IHP repair programs or one of those types of repair programs. So we've had just a couple of fires in the last year, so the number we've had has gone down significantly from what we were used to getting for fires. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I am just curious for the fact that, like I said, in Lutselk'e there is a senior there who had a fire in his house a couple of years ago and he's still battling tooth and nail to get the Housing Corp to go over there and repair the bedroom that's

damaged. Geez, maybe leaving it to the discretion of the LHO and whether they are going to repair it or apply for any fire damage money should be definitely reviewed and reconsidered by the Housing Corporation since they have the bucks and the LHO really doesn't. Sometimes the LHO just doesn't take the time to fill out an application to get any fire money for fire damage repairs. They figure it might just come out of their own O and M budget and stuff like that. I am not sure if that's the best way to manage the \$500,000 that we just have sitting there. So that's just a point of interest, I guess. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, if Mr. Villeneuve can give me more information on the individual he's talking about, if the person is in public housing or if this is a private individual in his own home, again we do have programs that are there to assist in these types of emergencies. If the Member can give me more detail on this individual, we'll see what we can do. We do have programs to assist people who find themselves in these types of emergencies, especially with fire damage. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Villeneuve.

**MR. VILLENEUVE:** No, I'm fine. Thanks.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. I have Mr. Hawkins next.

**MR. HAWKINS:** Thank you, Mr. Chairman. On page 8-30, could the Minister provide some clarity under the homeownership fire damage repairs? I see that it's listed here for \$500,000. It was in last year's main estimates and it doesn't appear in the 2004-05 actuals. Could the Minister explain what this does and maybe some detail on how it was historically spent? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Alright. Mr. Chairman, it's a contingency we set aside for folks who have fires occurring in their units. When that happens, we allocate it to the particular district. The money rolls from here into the district and that's why you don't see anything under the actuals for last year because it's buried, or included, under the costs of actuals under the district operation. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chairman. I appreciate that Mr. Anderson provided clarity on that concept. I wouldn't want anybody to think we were burying money or hiding it. Is he aware of how it was spent to date? Obviously we don't have the actuals for last year. How often is this tapped into? Could he give me an example of where it's been used and how people qualify for this? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. Whenever some family has a serious fire, it's a priority for us to make

sure that all health and safety issues are properly dealt with. We ensure that there is money set aside to assist those kinds of families. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chairman. Would Mr. Anderson be referring to smoke damage or something along the lines of maybe the house burning down? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. Every case is different. Of course, our top priority is when people have significant fire damage, then those are the families we put most of our effort towards. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Hawkins.

**MR. HAWKINS:** I guess is the Minister's office aware of how many people have tapped into this?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. I don't have those numbers at my fingertips, but we could certainly get it.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chairman. Could I get some explanation on how you qualify? Obviously you have to have some type of fire. Do you have to go through an application process?

---Laughter

Is it just given to anybody who has a fire?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. All of the programs that we deliver are income based. So families that don't have the financial resources to solve their own problems get assistance from us and it's on a sliding scale based on their income. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chairman. In this regard, would the Minister's office be willing to provide the sliding scale and if they say yes, that will be my question; if they say yes.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. Mr. Anderson.

**MR. ANDERSON:** Yes.

**HON. DAVID KRUTKO:** Yes.

---Laughter

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister and Mr. Anderson, for that. I have Mrs. Groenewegen next. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. On page 8-30, Market Housing Program, as we have learned is distinctively different from the market housing initiative. I still don't understand. These are GNWT staff houses rolled over to the Housing Corporation, occupied by GNWT employees, managed by the LHOs for a cost of almost \$1 million a year. How many units are we talking about? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, we have 59 units, 31 are owned by public staff through our staff housing program. Also, we have 38 which are leased.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. What role does the LHO play in the case of the units that are owned by the people who occupy them? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Most of the units that are owned are through the buy back. We have units that people who are in the public service either purchase them or there is a buy back option under the Collective Agreement. They are managed through the LHOs.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Pardon me for being slow. There are 59 units in total. Tell me again how many are owned, how many are leased, and if all are occupied by GNWT employees. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, there are 31 units owned by the public service, by our employees and 28 units are leased by our employees.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. My question is, again, what role does the LHO play in terms of property management to the 31 units that are owned by GNWT employees? What service do they provide? Thank you.

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

**HON. DAVID KRUTKO:** Mr. Chairman, the 31 units are the responsibility of the owner. The ones that are leased basically fall under the responsibility for teachers that do

come in for a period of time, as long as you are able to accommodate them with market housing. So the ones that are owned are the responsibility of the owner, but the ones that we presently lease fall under the responsibility of the LHOs.

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

**MRS. GROENEWEGEN:** So the GNWT pays the NWT Housing Corporation almost \$900,000 a year to manage 28 leased units. Does that include anything else other than property management? Does that include utilities or something else? Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. These housing units were transferred from FMBS to the Housing Corporation which now falls under our responsibility to manage through our corporation.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. If what I am hearing is the entire story, this is absolutely impossible. That is \$2500 per unit that the GNWT pays the NWT Housing Corporation to property manage 28 units. They pay, then, \$2500 per unit per month? That's \$30,000 a year per unit. Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. Actually, the money that was transferred to us from the Financial Management Board Secretariat, \$892,000, is made up of almost \$700,000 in lease costs. These are long-term leases that were transferred to us. Some money for escalation costs, \$44,000; administration was another \$100,000. We manage those on behalf of the GNWT at this time. They sold as many of those units when the large staff housing portfolio were sold off. This is the residual amount that was transferred to the Housing Corporation. Thank you.

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

**MRS. GROENEWEGEN:** Okay. So this makes it a lot better then. It's only \$700,000 a year for 28 units. I'm sorry. Aren't the people applying rent? You are managing these properties; they are occupied by GNWT employees. Aren't they paying rent? If they are, this should be like the market housing issue. It should be full cost recovery. There shouldn't be a \$1million difference here. Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. Many of these units that were put in place were with hamlets and different communities' organizations, they are allowed to keep the rent in the deal that was originally put in place.

**SOME HON. MEMBERS:** Whoa!

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Now we just got this figured out then. So this is a \$900,000 per year, ongoing, every year windfall to somebody who actually collects the rent. So why does the Housing Corporation get paid to do the property management if the rent actually gets paid to somebody else, Mr. Chairman? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. This really is money that is just a flow-through through the organization. We don't get money to property manage these units. Thank you.

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

**MRS. GROENEWEGEN:** So the Housing Corporation doesn't get the \$892,000 a year. Who does?

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

**MR. ANDERSON:** Thank you, Mr. Chairman. Yes, it is in our base. It was transferred to the Housing Corporation and then we transfer it to these organizations that manage those units. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. This is another one of the things I want on my list. That's a significant amount of money. That's almost \$1 million that is going to some organizations out there that are getting to put their employees in GNWT staff housing and collect the rent and keep the money. It's a significant amount of money. I want to know who those organizations are. Again, it's only on 28 units. They get to keep \$700,000 or \$900,000 for 28 units. Do you know how much that is per month? Thank you, Mr. Chairman.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. We can include the detail on that portfolio along with the rent supps. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. I have Mr. Braden next.

**MR. BRADEN:** Thank you, Mr. Chairman. Okay. Did I hear in the last exchange, was there a commitment to provide a detailed accounting of just how this happens?

**SOME HON. MEMBERS:** Yes.

**MR. BRADEN:** The question is still very much open here. How is it that hamlets or municipal organizations get to be the benefactor here? I would like to have that explained.

One other aspect about this, Mr. Chairman, was in the information that the market housing initiative units, these trailers that were moved in in the last few years are also

captured under this Market Housing Program item. Have I got that right?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, can I have the Member repeat the question?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Braden.

**MR. BRADEN:** Certainly. I just wanted to make sure that I heard correctly a little bit earlier that the market housing initiative units, these trailers that were moved into various communities in the last little while, are also captured under this Market Housing Program; that they are all put into one program here now for administration. Have I got that right, or are they two separate cost centres? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. Yes, those will be part of that pot of funds, as well. But you have to remember that most of those costs are paid by the tenants and then we have an offset on our rental income on the other side for that. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Braden.

**MR. BRADEN:** So, Mr. Chairman, the rental money that's paid by those tenants goes directly to the corporation, not to anybody else.

**CHAIRMAN (Mr. Ramsay):** That's correct. Thank you, Mr. Braden. Anything further, committee? Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Further to the market housing initiative, could the corporation provide detail as to the implementation of that program? It was initially designed to provide housing for essential employees in communities. There were difficulties I know attracting those identified tenants and in getting the units occupied. I think I heard one of the Members earlier saying there were also some technical problems in at least one community with these installations. So I guess what I am asking for here, Mr. Chairman, is an accounting of the success or the results of the market housing initiative. Has the investment that we made...What has the investment resulted in in terms of providing housing for that particularly hard to house group of essential employees? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, I commit to the Member to get that information. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, committee? We are on page 8-30, information item, infrastructure development, grants and contributions. Any more questions? Page 8-33, information item, district operations, operations expenditure summary. Questions? Mrs. Groenewegen.

**MRS. GROENEWEGEN:** I'm sorry. Actually, my question is on 8-34.

**CHAIRMAN (Mr. Ramsay):** Thank you. To page 8-33, district operations. Questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 8-34, information item, district operations, grants and contributions. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I know the Standing Committee on Social Programs has probably dealt with this in depth because it's a large ticket item, but can I get a brief description for Supported Lease Program for \$20.756 million? Thank you.

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

**MR. ANDERSON:** Thank you, Mr. Chairman. There is a big change in the way we've approached some of the delivery of new housing. We used to take the approach where we would look at the clients and their needs and either look at delivering units through either our Expanded Downpayment Assistance Program or the Independent Housing Program. We've now taken the approach where we are going to actually build the houses right now under the supported lease and we have 108 units that we plan to build with this \$20.7 million. Then folks can lease that program for a period of time, get their credit in line and established, get some stability in their income and then they could qualify under the IHP program or the Expanded Downpayment Assistance Program to become successful homeowners. Thank you.

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

**MRS. GROENEWEGEN:** Thank you. I recognize it now. I just didn't recognize it under that particular headline. It's something we have been discussing all along here. Thank you.

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

**MR. MCLEOD:** Thank you, Mr. Chairman. Yesterday, I spoke to the Supported Lease Program and I asked if it was going to affect some of the other programs and I didn't get an answer then, but I see right now with all the other numbers going down that it is going to affect some of the other programs. I have been doing some research on it and I am going to do a bit more research on it and speak to different folks on it before I can lend my support to something like this. I would like to know how long this program is going to run. Secondly, who will be responsible for the maintenance? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. McLeod. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The Supported Lease Program, before we sell the unit to an individual, we are responsible, as a landlord, for the maintenance on that unit. So when the family puts themselves in a position to be able to buy the unit, or they wish to buy the unit, then it becomes their responsibility as a homeowner. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. McLeod.

**MR. MCLEOD:** Okay. That answered one of my questions. Until they want to buy the unit, the Housing Corporation is responsible and I am assuming that it will be the LHO maintenance department that will carry out this maintenance. Then I asked how long do we plan on running this program before we maybe switch to another program? You are saying that after two years if they qualify for EDAP, then they will get some EDAP funding, but when you look at your EDAP funding, it's way down. So will the LHOs be doing the maintenance? If they are, I hope it's reflected a couple of pages over in maybe a small increase to the money that you budget to the LHOs because you keep giving them more and more responsibility and it seems like they are getting less and less money, the LHOs and the districts. You said you would build 108 houses, but I saw the figure 112 somewhere. I would like to know if that also would include buying units, or is it strictly build?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. McLeod. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. If there are opportunities in some communities to buy good quality energy-efficient homes, that's one of the things that our district people will consider. In other cases where we have a significant lack of supply, we would be pursuing new construction-type units.

As far as the Member's point about we don't have any money left in the Expanded Downpayment Assistance Program, I just want to point out if an individual buys one of the supported lease units under that program, the financing they would get from the bank would come back to the Housing Corporation for that portion of their first mortgage. So there is no issue with not having funds set aside under the Expanded Downpayment Assistance Program. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. McLeod.

**MR. MCLEOD:** Thank you, Mr. Chairman. Thanks to Mr. Anderson for clearing that up for me. I asked if the LHOs will be responsible for the maintenance for the first couple of years until the owners take possession, if they qualify. If they are doing maintenance on the unit, I hope it's reflected in the money that is going to the local housing authorities. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. McLeod. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. Sorry, I forgot to answer that question. Certainly our first priority would be to offer that opportunity to the local housing organizations. If they want to take on that responsibility, they will be funded for it. That would be paid through the lease payments that would be made under this program. If they don't want to do it, then we will look at other community organizations to carry out that responsibility. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Anything further, Mr. McLeod?

**MR. MCLEOD:** I have five minutes left.

**CHAIRMAN (Mr. Ramsay):** Mr. McLeod.

**MR. MCLEOD:** Thank you, Mr. Chairman. I am starting to understand this program a bit better. It seems like it's something that I just found out about yesterday during the Minister's opening statements and I have been asking some questions into the program. Like I said before, I will ask a few more questions and just make sure that I am happy with this program before I can lend any kind of support to it. I just want to know what brought this on. Have we run out of clients for the other programs? Were the LHOs, the district offices consulted on something like this? Did they have much input into this? I will leave that as my final question. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. McLeod. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The goal at the end of the day under this program is to help families become successful homeowners, so this is one step in that process. Some people can move into homeownership quicker than other folks can. So this is an opportunity for them to get used to the idea of being a homeowner. It takes them out of the public housing stream and, at the end of the day, we want to promote people owning their own homes. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. McLeod.

**MR. MCLEOD:** I agree with Mr. Anderson. I have always been an advocate of trying to get people into their own homes. I would like to know what would happen after two years if they have shown that they can't qualify for a mortgage. Do they move back into public housing? Do they go back on a waiting list? I am all for trying to get people into their own homes. I have said that for years and I will say it again. I want to know what happens if they can't meet the criteria after two years. Do they move out into public housing and does someone else move into their unit and have their two-year turn? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. McLeod. Mr. Anderson.

**Mr. ANDERSON:** Thank you, Mr. Chairman. We are in the business of housing people and if they want to remain in the unit on a lease arrangement, then we are prepared to continue with that as long as the family is prepared to meet their obligations. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. McLeod.

**MR. MCLEOD:** Thank you, Mr. Chairman. I am glad to hear you are in the business of housing people. I have always agreed you should be.

---Laughter

I am getting a little frustrated here. I am getting standard answers and I agree with you, you are in the business to house people. I asked what would happen to these tenants after two years? Do they just keep signing a lease, signing a lease, signing a lease? I am just asking for a very clear answer and I am getting upset because I am not getting one. Thank you, Mr. Chairman.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. The individuals that get into this program, we'll be able to counsel them and work with them if they can't find a way to finance the program through a mortgage and go to the bank, they will have the ability to remain in the home and rent or lease the unit and find an alternative way. We will assist them so they will not be evicted from the unit after two years. They will be able to remain there and look at the other programs that we have and counsel them. If they are unable to do it in two years, we will continue to work with them so they are eventually able to become homeowners. So it is an evolving process. They will not be evicted and asked to leave after two years and someone else will go in there. We want to keep those people in those homes and be able to work with them to make them homeowners. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. McLeod. We'll go now to Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. I just had one question with regard to grants and contributions. Where does collections of mortgage income fit in our business plan? I don't see it at all, Mr. Chairman. It's another source or revenue. Does that go to somebody else as well, or does it go to the Housing Corporation coffers, or Finance? Where does the mortgage money constituents so diligently pay go to? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Menicoche. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. The mortgage payments are applied against the debt that's on the books from the client and the interest goes into our revenue account in the corporation. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. I am just wondering where does it show up on the books here?

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Menicoche. Mr. Anderson.

**MR. ANDERSON:** Thank you, Mr. Chairman. If you look on 8-45, at the end of this, that's where we show all of the full summary of our operation. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Anderson. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman.

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

**MRS. GROENEWEGEN:** I move a motion that we report progress.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. There's a motion to report progress. The motion is in order. It's not debatable. All those in favour? All those opposed? The motion is carried.

---Carried

I will now rise and report progress. Thank you, committee. Thank you, Mr. Minister and witnesses for being with us. We'll see you tomorrow.

**MR. SPEAKER:** Can I have the report of Committee of the Whole? Mr. Ramsay.

**ITEM 20: REPORT OF COMMITTEE OF THE WHOLE**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 18, Appropriation Act, 2006-2007, and would like to report progress and, Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Is there a seconder to the motion? The honourable Premier, Mr. Handley. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. Mr. Clerk, orders of the day.

**ITEM 22: ORDERS OF THE DAY**

**CLERK OF THE HOUSE (Mr. Mercer):** Orders of the day for Wednesday, February 8, 2006, at 11:00 a.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Budget Address
10. Petitions
11. Reports of Committees on the Review of Bills
12. Tabling of Documents
13. Notices of Motion
14. Notices of Motion for First Reading of Bills
15. First Reading of Bills
  - Bill 19, Supplementary Appropriation Act, No. 3, 2005-2006
  - Bill 20, An Act to Amend the Income Tax Act
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 18, Appropriation Act, 2006-2007

- Committee Report 5-15(4), Standing Committee on Accountability and Oversight Report on the 2006-2007 Pre-Budget Review Process

- Committee Report 6-15(4), Standing Committee On Governance and Economic Development Report on the 2006-2007 Pre-Budget Review Process

- Committee Report 7-15(4), Standing Committee on Social Programs Report on the 2006-2007 Pre-Budget Review Process

18. Report of Committee of the Whole

19. Third Reading of Bills

20. Orders of the Day

**MR. SPEAKER:** Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, February 8, 2006, at 11:00 a.m.

---ADJOURNMENT

The House adjourned at 17:56 p.m.

